

111TH CONGRESS
1ST SESSION

H. R. 3964

To reform Federal budget procedures, to impose spending and deficit limits,
to provide for a sustainable fiscal future, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 29, 2009

Mr. HENSARLING (for himself, Mr. RYAN of Wisconsin, Mr. GARRETT of New Jersey, Mr. CAMPBELL, Mr. JORDAN of Ohio, Mrs. LUMMIS, Mr. LATTA, Mr. BARTON of Texas, Mr. BISHOP of Utah, Mrs. BLACKBURN, Mr. BRADY of Texas, Mr. BROUN of Georgia, Mr. COLE, Mr. FRANKS of Arizona, Mr. HERGER, Mr. LAMBORN, Mr. LUETKEMEYER, Mr. MARCHANT, Mr. NEUGEBAUER, Mr. PITTS, and Mr. SHADEGG) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, Appropriations, Oversight and Government Reform, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reform Federal budget procedures, to impose spending
and deficit limits, to provide for a sustainable fiscal
future, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Spending, Deficit, and Debt Control Act of 2009”.

1 (b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Purposes.
- Sec. 4. Effective date.

TITLE I—A BINDING FEDERAL BUDGET

- Sec. 100. Short title.

Subtitle A—Joint Budget Resolution

- Sec. 101. Purposes.
- Sec. 102. Timetable.
- Sec. 103. Joint resolution on the budget.
- Sec. 104. Budget required before spending bills may be considered.
- Sec. 105. Amendments to joint resolutions on the budget.

Subtitle B—Budgeting for Emergencies

- Sec. 111. Repeal of adjustments for emergencies.
- Sec. 112. Emergency criteria.
- Sec. 113. Development of guidelines for application of emergency definition.
- Sec. 114. Reserve fund for emergencies in President's budget.
- Sec. 115. Adjustments and reserve fund for emergencies in joint budget resolutions.
- Sec. 116. Application of section 306 to emergencies in excess of amounts in reserve fund.
- Sec. 117. Up-to-date tabulations.
- Sec. 118. Prohibition on amendments to the emergency reserve fund.

Subtitle C—Biennial Budget

- Sec. 121. Effective date.
- Sec. 122. Revision of timetable.
- Sec. 123. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
- Sec. 124. Amendments to Rules of the House of Representatives.
- Sec. 125. Two-year appropriations; title and style of appropriation Acts.
- Sec. 126. Multiyear authorizations.
- Sec. 127. Government strategic and performance plans on a biennial basis.
- Sec. 128. Biennial appropriation bills.
- Sec. 129. Assistance by Federal agencies to standing committees of the Senate and the House of Representatives.

Subtitle D—Prevention of Government Shutdown

- Sec. 131. Amendment to Title 31.

Subtitle E—The Baseline

- Sec. 141. Elimination of inflation adjustment.
- Sec. 142. The President's budget.
- Sec. 143. The congressional budget.
- Sec. 144. Congressional Budget Office reports to committees.
- Sec. 145. Treatment of emergencies.

TITLE II—SPENDING LIMITS AND DEFICIT CONTROL

Sec. 200. Short title.

Subtitle A—Spending Limits and Deficit Control

Sec. 201. Discretionary spending limits.

Sec. 202. Direct spending limits.

Sec. 203. Total spending limits.

Sec. 204. Deficit limits.

Subtitle B—Reports and Orders

Sec. 211. Reports and orders.

Sec. 212. Spending and deficit limits enforcement.

Sec. 213. Spending reduction orders.

TITLE III—LONG-TERM BUDGETING

Sec. 300. Short title; purposes.

Sec. 301. CBO and OMB projections.

Sec. 302. GAO and OMB statements of the Federal Government's financial condition.

Sec. 303. Five-year Fiscal Sustainability Review.

Sec. 304. Long-term reconciliation.

Sec. 305. Long-term spending increase point of order.

TITLE IV—SPENDING REFORM

Subtitle A—Federal Program Sunset

Sec. 400. Short title.

Sec. 401. Review and abolishment of Federal agencies.

Sec. 402. Establishment of commission.

Sec. 403. Review of efficiency and need for Federal agencies.

Sec. 404. Criteria for review.

Sec. 405. Commission oversight.

Sec. 406. Rulemaking authority.

Sec. 407. Relocation of Federal employees.

Sec. 408. Program inventory.

Sec. 409. Definition of agency.

Subtitle B—Legislative Line-Item Veto

Sec. 410. Short title.

Sec. 411. Legislative line-item veto.

Sec. 412. Technical and conforming amendments.

Sec. 413. Rescission measures considered.

Subtitle C—Commission to Eliminate Waste, Fraud, and Abuse

Sec. 420. Short title.

Sec. 421. Establishment of Commission.

Sec. 422. Duties of the Commission.

Sec. 423. Powers of the Commission.

Sec. 424. Commission personnel matters.

Sec. 425. Termination of the Commission.

Sec. 426. Congressional consideration of reform proposals.

Sec. 427. Authorization of appropriations.

TITLE V—TRANSPARENCY IN BUDGETING

Sec. 500. Short title.

Subtitle A—Accrual Funding of Pensions and Retirement Pay for Federal Employees and Uniformed Services Personnel

Sec. 501. Civil Service Retirement System.

Sec. 502. Central Intelligence Agency Retirement and Disability System.

Sec. 503. Foreign Service Retirement and Disability System.

Sec. 504. Public Health Service Commissioned Corps Retirement System.

Sec. 505. National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement System.

Sec. 506. Coast Guard Military Retirement System.

Subtitle B—Accrual Funding of Post-Retirement Health Benefits Costs for Federal Employees

Sec. 511. Federal Employees Health Benefits Fund.

Sec. 512. Funding Uniformed Services health benefits for all retirees.

Sec. 513. Effective date.

Subtitle C—Earmark Reform

Sec. 521. Joint Select Committee on Earmark Reform.

Sec. 522. Moratorium on consideration of earmarks.

Subtitle D—Public Debt Limit

Sec. 531. Limit on public debt.

Sec. 532. Repeal of the Gephardt Rule.

Subtitle E—Risk-Assumed Budgeting

Sec. 541. Market Adjusted Rate for Federal Credit Reform Act of 1990.

Sec. 542. CBO and GAO study.

TITLE VI—BUDGET ENFORCEMENT

Sec. 600. Short title.

Subtitle A—Enforcement Amendments

Sec. 601. Points of order in the House of Representatives and the Senate.

Sec. 602. Point of order waiver protection.

Sec. 603. Application of the limitation on reconciliation legislation.

Sec. 604. Twenty-percent limit on new direct spending in reconciliation legislation.

Sec. 605. Treatment of extraneous appropriations.

Sec. 606. Establishment of Discretionary Deficit Reduction Account.

Sec. 607. Establishment of Mandatory Deficit Reduction Account.

Sec. 608. Conforming amendment.

Subtitle B—Committee Term Limits Study in the House of Representatives

Sec. 611. Suspension of certain requirements regarding the House of Representatives committee term limits committee.

Sec. 612. Establishment of the select committee on requirements regarding the House of Representatives Budget Committee.

Sec. 613. Procedure.

Sec. 614. Composition.

Sec. 615. Reporting.

Sec. 616. Administrative provisions.

Sec. 617. Dissolution.

SUBTITLE C—JUDICIAL CONSIDERATION

Sec. 621. Judicial review.

Sec. 622. Severability.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) the Congressional Budget Office, the Gov-
4 ernment Accountability Office, and the chairman of
5 the Federal Reserve have all found that
6 unsustainable fiscal trends, driven by Federal spend-
7 ing, represent a serious threat to the United States
8 economy and the prosperity of the American people;

9 (2) the current Federal budget process fails to
10 fully allocate resources for national priorities and
11 lacks the means to control Federal spending, defi-
12 cits, and debt;

13 (3) budgeting is essential to governing; and

14 (4) the effectiveness of the budget depends on
15 the strength of the budget process.

16 **SEC. 3. PURPOSES.**

17 The purposes of this Act are as follows—

18 (1) to reform and strengthen the Federal budg-
19 et process by enacting a comprehensive set of sound,
20 reasonable, and enforceable measures;

1 (2) to properly focus the Federal budget proc-
2 ess on controlling spending, deficits, and debt;

3 (3) to provide Congress with the tools for
4 stronger and more durable control of spending and
5 deficits;

6 (4) to increase transparency and provide a com-
7 prehensive assessment of the budget's commitments;
8 and

9 (5) to reform the budget process to give Con-
10 gress a thorough assessment of the long-term budget
11 commitments, to establish sustainable benchmarks
12 for major programs, and to provide the means to re-
13 form major entitlement programs to ensure sustain-
14 able levels of Federal spending, deficits, and debt.

15 **SEC. 4. EFFECTIVE DATE.**

16 Except as otherwise specifically provided, this Act
17 and the amendments made by this Act shall become effec-
18 tive on the date of enactment of this Act and shall apply
19 with respect to fiscal years beginning after September 30,
20 2010.

21 **TITLE I—A BINDING FEDERAL**
22 **BUDGET**

23 **SEC. 100. SHORT TITLE.**

24 This Act may be cited as the “Enhanced Spending
25 Control and Budget Enforcement Act of 2009”.

Subtitle A—Joint Budget Resolution

SEC. 101. PURPOSES.

Paragraphs (1) and (2) of section 2 of the Congressional Budget and Impoundment Control Act of 1974 are amended to read as follows:

“(1) to assure effective control over the budgetary process; and

“(2) to facilitate the determination each year of the appropriate level of Federal revenues and expenditures by the Congress and the President;”.

SEC. 102. TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 is amended to read as follows:

“TIMETABLE

“SEC. 300. The timetable with respect to the Congressional budget process for any fiscal year is as follows:

| “First Session | |
|--|--|
| On or before: | Action to be completed: |
| First Monday in February | President submits his budget. |
| February 15 | Congressional Budget Office submits report to Budget Committees. |
| Not later than 6 weeks after President submits budget. | Committees submit views and estimates to Budget Committees. |
| April 1 | Budget Committees report joint resolution on the budget. |
| April 15 | Congress completes action on joint resolution on the budget. |
| June 10 | House Appropriations Committee reports last annual appropriation bill. |
| June 15 | Congress completes action on reconciliation legislation. |
| June 30 | House completes action on annual appropriation bills. |

“First Session—Continued
October 1 Fiscal year begins.”.

1 **SEC. 103. JOINT RESOLUTION ON THE BUDGET.**

2 (a) CONTENT OF JOINT RESOLUTIONS ON THE
3 BUDGET.—Section 301(a)(4) of the Congressional Budget
4 Act of 1974 is amended to read as follows:

5 “(4) subtotals of new budget authority and out-
6 lays for nondefense discretionary spending, defense
7 discretionary spending, Medicare, Medicaid, other di-
8 rect spending (excluding interest), and interest; and
9 for emergencies (for the reserve fund in section
10 317(b) and for military operations in section
11 317(C));”.

12 (b) ADDITIONAL MATTERS IN JOINT RESOLUTION.—
13 Section 301(b) of the Congressional Budget Act of 1974
14 is amended as follows:

15 (1) Strike paragraphs (1), and (6) through (9).

16 (2) Redesignate paragraphs (2), (3), (4), and
17 (5) accordingly.

18 (3) Amend paragraph (3), as redesignated, to
19 read as follows:

20 “(3) set forth such other matters, and require
21 such other procedures, relating to the budget as may
22 be appropriate to carry out the purposes of the Act,
23 but shall not include a suspension or alteration of

1 the application of the motion to strike a provision as
2 set forth in section 310(d)(2) or (h)(2)(F).”.

3 (c) REQUIRED CONTENTS OF REPORT.—Section
4 301(e)(2) of the Congressional Budget Act of 1974 is
5 amended as follows:

6 (1) Redesignate subparagraphs (A), (B), (C),
7 (D), (E), and (F) as subparagraphs (B), (C), (E),
8 (F), (H), and (I), respectively.

9 (2) Before subparagraph (B) (as redesignated),
10 insert the following new subparagraph:

11 “(A) new budget authority and outlays for
12 each major functional category, based on alloca-
13 tions of the total levels set forth pursuant to
14 subsection (a)(1);”.

15 (3) In subparagraph (C) (as redesignated),
16 strike “mandatory” and insert “direct spending”.

17 (4) After subparagraph (C) (as redesignated),
18 insert the following new subparagraph:

19 “(D) a measure, as a percentage of gross
20 domestic product, of total outlays, total Federal
21 revenues, the surplus or deficit, and new out-
22 lays for nondefense discretionary spending, de-
23 fense spending, Medicare, Medicaid and other
24 direct spending as set forth in such resolu-
25 tion;”.

1 (5) After subparagraph (F) (as redesignated),
2 insert the following new subparagraph:

3 “(G) if the joint resolution on the budget
4 includes any allocation to a committee other
5 than the Committee on Appropriations of levels
6 in excess of current law levels, a justification
7 for not subjecting any program, project, or ac-
8 tivity (for which the allocation is made) to an-
9 nual discretionary appropriations;”.

10 (d) ADDITIONAL CONTENTS OF REPORT.—Section
11 301(e)(3) of the Congressional Budget Act of 1974 is
12 amended as follows:

13 (1) Redesignate subparagraphs (A) and (B) as
14 subparagraphs (B) and (C), respectively, strike sub-
15 paragraphs (C) and (D), and redesignate subpara-
16 graph (E) as subparagraph (D) and strike the pe-
17 riod and insert “; and”.

18 (2) Before subparagraph (B), insert the fol-
19 lowing new subparagraph:

20 “(A) new budget authority and outlays for
21 each major functional category, based on alloca-
22 tions of the total levels set forth pursuant to
23 subsection (a)(1);”.

24 (3) At the end, add the following new subpara-
25 graph:

1 “(E) set forth, if required by subsection
2 (f), the calendar year in which, in the opinion
3 of the Congress, the goals for reducing unem-
4 ployment set forth in section 4(b) of the Em-
5 ployment Act of 1946 should be achieved.”.

6 (e) BUDGET PRESENTATION.—After section
7 301(e)(3) add the following new paragraph:

8 “(4) BUDGET FORMAT.—In addition to the con-
9 tents that may be included in the report pursuant to
10 paragraph (3), a presentation of the functional cat-
11 egories may also be included as follows:

12 “(A) PRINCIPAL FEDERAL OBLIGATIONS.—
13 Activities intrinsic to the Federal Government
14 (including both discretionary and mandatory
15 spending) as follows:

16 “(i) National defense;

17 “(ii) International affairs;

18 “(iii) Veterans benefits and services;

19 and

20 “(iv) Administration of justice.

21 “(B) FEDERALLY SUPPORTED DOMESTIC
22 PRIORITIES.—The total domestic discretionary
23 spending levels as follows:

24 “(i) Total domestic discretionary
25 spending.

1 “(ii) Optional inclusion of additional
2 specific recommended levels.

3 “(C) MAJOR DOMESTIC ENTITLEMENTS.—
4 Major domestic direct spending programs as
5 follows:

6 “(i) Medicare.

7 “(ii) Medicaid.

8 “(iii) Other direct spending.

9 “(iv) Optional inclusion of additional
10 specific recommended levels.

11 “(D) GENERAL GOVERNMENT AND FINAN-
12 CIAL MANAGEMENT.—Funding for financing
13 government operations as follows:

14 “(i) General government.

15 “(ii) Net interest.

16 “(iii) Allowances.

17 “(iv) Offsetting receipts.”.

18 (f) PRESIDENT’S BUDGET SUBMISSION TO CON-
19 GRESS.—(1) The first two sentences of section 1105(a)
20 of title 31, United States Code, are amended to read as
21 follows: “On or after the first Monday in January but not
22 later than the first Monday in February of each year the
23 President shall submit a budget of the United States Gov-
24 ernment for the following fiscal year which shall set forth
25 the following levels:

1 “(A) Totals of new budget authority and out-
2 lays.

3 “(B) Total Federal revenues and the amount, if
4 any, by which the aggregate level of Federal reve-
5 nues should be increased or decreased by bills and
6 resolutions to be reported by the appropriate com-
7 mittees.

8 “(C) The surplus or deficit in the budget.

9 “(D) Subtotals of new budget authority and
10 outlays for nondefense discretionary spending, de-
11 fense discretionary spending, direct spending (ex-
12 cluding interest), and interest, and for emergencies
13 (for the reserve fund in section 317(b) and for mili-
14 tary operations in section 317(c).

15 “(E) The public debt.

16 Each budget submission shall include a budget message
17 and summary and supporting information and, as a sepa-
18 rately delineated statement, the levels requires in the pre-
19 ceding sentence for at least each of the 4 ensuing fiscal
20 years.”.

21 (2) The third sentence of section 1105(a) of title 31,
22 United States Code, is amended by inserting “submission”
23 after “budget”.

24 (g) LIMITATION ON THE CONTENT OF BUDGET RES-
25 OLUTIONS.—Section 305 of the Congressional Budget Act

1 of 1974 is amended by adding at the end the following
2 new subsection:

3 “(e) LIMITATION ON CONTENTS.—(1) It shall not be
4 in order in the House of Representatives or in the Senate
5 to consider any joint resolution on the budget or any
6 amendment thereto or conference report thereon that con-
7 tains any matter referred to in paragraph (2).

8 “(2) Any joint resolution on the budget or any
9 amendment thereto or conference report thereon that con-
10 tains any matter not permitted in section 301(a) or (b)
11 shall not be treated in the House of Representatives or
12 the Senate as a budget resolution under subsection (a) or
13 (b) or as a conference report on a budget resolution under
14 subsection (c) of this section.”.

15 **SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS**
16 **MAY BE CONSIDERED.**

17 (a) AMENDMENTS TO SECTION 302.—Section 302 of
18 the Congressional Budget Act of 1974 is amended—

19 (1) in subsection (a), by striking paragraph (5);
20 and

21 (2) in subsection (f)(1)(A), by striking “as re-
22 ported”.

23 (b) AMENDMENTS TO SECTION 303 AND CON-
24 FORMING AMENDMENTS.—(1) Section 303 of the Con-
25 gressional Budget Act of 1974 is amended by striking “(a)

1 IN GENERAL.—”, by striking “has been agreed to” and
 2 inserting “takes effect in subsection (a)”, and by striking
 3 subsections (b) and (c); and

4 (2) by striking its section heading and inserting the
 5 following new section heading: “CONSIDERATION OF
 6 BUDGET-RELATED LEGISLATION BEFORE BUDGET BE-
 7 COMES LAW”.

8 (c) EXPEDITED PROCEDURES UPON VETO OF JOINT
 9 RESOLUTION ON THE BUDGET.—(1) Title III of the Con-
 10 gressional Budget Act of 1974 is amended by adding after
 11 section 315 the following new section:

12 “EXPEDITED PROCEDURES UPON VETO OF JOINT
 13 RESOLUTION ON THE BUDGET

14 “SEC. 316. (a) SPECIAL RULE.—If the President ve-
 15 toes a joint resolution on the budget for a fiscal year, the
 16 majority leader of the House of Representatives or Senate
 17 (or his designee) shall introduce a concurrent resolution
 18 on the budget or joint resolution on the budget for such
 19 fiscal year. If the Committee on the Budget of either
 20 House fails to report such concurrent or joint resolution
 21 referred to it within five calendar days (excluding Satur-
 22 days, Sundays, or legal holidays except when that House
 23 of Congress is in session) after the date of such referral,
 24 the committee shall be automatically discharged from fur-
 25 ther consideration of such resolution and such resolution
 26 shall be placed on the appropriate calendar.

1 “(b) PROCEDURE IN THE HOUSE OF REPRESENTA-
2 TIVES AND THE SENATE.—

3 “(1) Except as provided in paragraph (2), the
4 provisions of section 305 for the consideration in the
5 House of Representatives and in the Senate of joint
6 resolutions on the budget and conference reports
7 thereon shall also apply to the consideration of con-
8 current resolutions on the budget introduced under
9 subsection (a) and conference reports thereon.

10 “(2) Debate in the Senate on any concurrent
11 resolution on the budget or joint resolution on the
12 budget introduced under subsection (a), and all
13 amendments thereto and debatable motions and ap-
14 peals in connection therewith, shall be limited to not
15 more than 10 hours and in the House of Represent-
16 atives such debate shall be limited to not more than
17 3 hours.

18 “(c) CONTENTS OF CONCURRENT RESOLUTIONS.—
19 Any concurrent resolution on the budget introduced under
20 subsection (a) shall be in compliance with section 301.

21 “(d) EFFECT OF CONCURRENT RESOLUTION ON THE
22 BUDGET.—Notwithstanding any other provision of this
23 title, whenever a concurrent resolution on the budget de-
24 scribed in subsection (a) is agreed to, then the aggregates,
25 allocations, and reconciliation directives (if any) contained

1 in the report accompanying such concurrent resolution or
 2 in such concurrent resolution shall be considered to be the
 3 aggregates, allocations, and reconciliation directives for all
 4 purposes of sections 302, 303, and 311 for the applicable
 5 fiscal years and such concurrent resolution shall be
 6 deemed to be a joint resolution for all purposes of this
 7 title and the Rules of the House of Representatives and
 8 any reference to the date of enactment of a joint resolution
 9 on the budget shall be deemed to be a reference to the
 10 date agreed to when applied to such concurrent resolu-
 11 tion.”.

12 (2) The table of contents set forth in section 1(b) of
 13 the Congressional Budget and Impoundment Control Act
 14 of 1974 is amended by inserting after the item relating
 15 to section 315 the following new item:

“Sec. 316. Expedited procedures upon veto of joint resolution on the budget.”.

16 **SEC. 105. AMENDMENTS TO JOINT RESOLUTIONS ON THE**
 17 **BUDGET.**

18 (a) DEFINITION.—Paragraph (4) of section 3 of the
 19 Congressional Budget Act of 1974 is amended to read as
 20 follows:

21 “(4) the term ‘joint resolution on the budget’
 22 means—

23 “(A) a joint resolution setting forth the
 24 budget for the United States Government for a
 25 fiscal year as provided in section 301; and

1 “(B) any other joint resolution revising the
2 budget for the United States Government for a
3 fiscal year as described in section 304.”.

4 (b) ADDITIONAL AMENDMENTS TO THE CONGRES-
5 SIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF
6 1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310,
7 311, 312, 314, 405, and 904 of the Congressional Budget
8 Act of 1974 (2 U.S.C. 621 et seq.) are amended by strik-
9 ing “concurrent” each place it appears and inserting
10 “joint”.

11 (B) Section 301 of the Congressional Budget Act of
12 1974 is further amended by striking the last sentence.

13 (C)(i) Sections 302(d), 302(g), 308(a)(1)(A), and
14 310(d)(1) of the Congressional Budget Act of 1974 are
15 amended by striking “most recently agreed to concurrent
16 resolution on the budget” each place it occurs and insert-
17 ing “most recently enacted joint resolution on the budget
18 or agreed to concurrent resolution on the budget (as appli-
19 cable)”.

20 (ii) The section heading of section 301 is amended
21 by striking “ANNUAL ADOPTION OF CONCURRENT RESO-
22 LUTION” and inserting “JOINT RESOLUTIONS”; and

23 (iii) Section 304 of such Act is amended to read as
24 follows:

1 “PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS

2 “SEC. 304. At any time after the joint resolution on
3 the budget for a fiscal year has been enacted pursuant
4 to section 301, and before the end of such fiscal year, the
5 two Houses and the President may enact a joint resolution
6 on the budget which revises or reaffirms the joint resolu-
7 tion on the budget for such fiscal year most recently en-
8 acted, and for purposes of the enforcement of the Congres-
9 sional Budget Act of 1974, the chairman of the Budget
10 Committee of the House of Representatives or the Senate,
11 as applicable, may adjust levels as needed for the enforce-
12 ment off of the budget resolution.”.

13 (D) Sections 302, 303, 310, and 311, of such Act
14 are amended by striking “agreed to” each place it appears
15 and by inserting “enacted”.

16 (2)(A) Paragraph (4) of section 3 of the Congres-
17 sional Budget and Impoundment Control Act of 1974 is
18 amended by striking “concurrent” each place it appears
19 and by inserting “joint”.

20 (B) The table of contents set forth in section 1(b)
21 of such Act is amended—

22 (i) in the item relating to section 301, by strik-
23 ing “Annual adoption of concurrent resolution” and
24 inserting “Joint resolutions”;

1 (ii) by striking the item relating to section 303
 2 and inserting the following:

“Sec. 303. Consideration of budget-related legislation before budget becomes
 law.”.

3 (iii) by striking “concurrent” and inserting
 4 “joint” in the item relating to section 305.

5 (c) CONFORMING AMENDMENTS TO THE RULES OF
 6 THE HOUSE OF REPRESENTATIVES.—Clauses 1(d)(1),
 7 4(a)(4), 4(b)(2), 4(f)(1)(A), and 4(f)(2) of rule X, clause
 8 10 of rule XVIII, clause 10 of rule XX, and clauses 7
 9 and 10 of rule XXI of the Rules of the House of Rep-
 10 resentatives are amended by striking “concurrent” each
 11 place it appears and inserting “joint”.

12 (d) CONFORMING AMENDMENTS TO THE BALANCED
 13 BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF
 14 1985.—Section 258C(b)(1) of the Balanced Budget and
 15 Emergency Deficit Control Act of 1985 (2 U.S.C.
 16 907d(b)(1)) is amended by striking “concurrent” and in-
 17 serting “joint”.

18 (e) CONFORMING AMENDMENTS TO SECTION 310
 19 REGARDING RECONCILIATION DIRECTIVES.—(1) The side
 20 heading of section 310(a) of the Congressional Budget Act
 21 of 1974 (as amended by section 105(b)) is further amend-
 22 ed by inserting “JOINT EXPLANATORY STATEMENT AC-
 23 COMPANYING CONFERENCE REPORT ON” before “JOINT”.

1 (2) Section 310(a) of such Act is amended by striking
 2 “A” and inserting “The joint explanatory statement ac-
 3 companying the conference report on a”.

4 (3) The first sentence of section 310(b) of such Act
 5 is amended by striking “If” and inserting “If the joint
 6 explanatory statement accompanying the conference re-
 7 port on”.

8 (4) Section 310(c)(1) of such Act is amended by in-
 9 serting “the joint explanatory statement accompanying
 10 the conference report on” after “pursuant to”.

11 (f) CONFORMING AMENDMENTS TO SECTION 3 RE-
 12 GARDING DIRECT SPENDING.—Section 3 of the Congres-
 13 sional Budget and Impoundment Control Act of 1974 is
 14 amended by adding at the end the following new para-
 15 graph:

16 “(11) The term ‘direct spending’ has the mean-
 17 ing given to such term in section 250(c)(8) of the
 18 Balanced Budget and Emergency Deficit Control
 19 Act of 1985.”.

20 **Subtitle B—Budgeting for** 21 **Emergencies**

22 **SEC. 111. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.**

23 (a) ELIMINATION OF EMERGENCY DESIGNATION.—
 24 Sections 251(b)(2)(A), 252(e), and 252(d)(4)(B) of the

1 Balanced Budget and Emergency Deficit Control Act of
2 1985 are repealed.

3 (b) ELIMINATION OF EMERGENCY ADJUSTMENTS.—
4 Section 314(b) of the Congressional Budget Act of 1974
5 is amended by striking paragraph (1) and by redesignig-
6 nating paragraphs (2) through (5) as paragraphs (1)
7 through (4), respectively.

8 (c) CONFORMING AMENDMENT.—Clause 2 of rule
9 XXI of the Rules of the House of Representatives is
10 amended by repealing paragraph (e) and by redesignating
11 paragraph (f) as paragraph (e).

12 **SEC. 112. EMERGENCY CRITERIA.**

13 (a) DEFINITION OF EMERGENCY.—Section 3 of the
14 Congressional Budget and Impoundment Control Act of
15 1974 (as amended by section 105(f)) is further amended
16 by adding at the end the following new paragraph:

17 “(12)(A) The term ‘emergency’ means a situa-
18 tion that—

19 “(i) requires new budget authority and
20 outlays (or new budget authority and the out-
21 lays flowing therefrom) for the prevention or
22 mitigation of, or response to, loss of life or
23 property, or a threat to national security; and

24 “(ii) is unanticipated.

1 “(B) As used in subparagraph (A), the term
2 ‘unanticipated’ means that the situation is—

3 “(i) sudden, which means quickly coming
4 into being or not building up over time;

5 “(ii) urgent, which means a pressing and
6 compelling need requiring immediate action;

7 “(iii) unforeseen, which means not pre-
8 dicted or anticipated as an emerging need; and

9 “(iv) temporary, which means not of a per-
10 manent duration.”.

11 (b) CONFORMING AMENDMENT.—The term “emer-
12 gency” has the meaning given to such term in section 3
13 of the Congressional Budget and Impoundment Control
14 Act of 1974.

15 **SEC. 113. DEVELOPMENT OF GUIDELINES FOR APPLICA-**
16 **TION OF EMERGENCY DEFINITION.**

17 Not later than 5 months after the date of enactment
18 of this Act, the chairmen of the Committees on the Budget
19 (in consultation with the President) shall, after consulting
20 with the chairmen of the Committees on Appropriations
21 and applicable authorizing committees of their respective
22 Houses and the Directors of the Congressional Budget Of-
23 fice and the Office of Management and Budget, jointly
24 publish in the Congressional Record guidelines for applica-
25 tion of the definition of emergency set forth in section

1 3(12) of the Congressional Budget and Impoundment
2 Control Act of 1974.

3 **SEC. 114. RESERVE FUND FOR EMERGENCIES IN PRESI-**
4 **DENT'S BUDGET.**

5 Section 1105(f) of title 31, United States Code, is
6 amended by adding at the end the following new sentence:
7 “Such budget submission shall also comply with the re-
8 quirements of subsections (b) and (c) of section 317 of
9 the Congressional Budget Act of 1974 and, in the case
10 of any budget authority requested for an emergency, such
11 submission shall include a detailed justification of why
12 such emergency is an emergency within the meaning of
13 section 3(12) of the Congressional Budget Act of 1974.”.

14 **SEC. 115. ADJUSTMENTS AND RESERVE FUND FOR EMER-**
15 **GENCIES IN JOINT BUDGET RESOLUTIONS.**

16 (a) EMERGENCIES.—Title III of the Congressional
17 Budget Act of 1974 (as amended by section 104(c)) is
18 further amended by adding at the end the following new
19 section:

20 “EMERGENCIES

21 “SEC. 317. (a) ADJUSTMENTS.—

22 “(1) ADJUSTMENT AUTHORITY.—Except as
23 provided by subsection (b)(4), if a bill or joint reso-
24 lution is reported, or an amendment is offered there-
25 to (or considered as adopted) or a conference report
26 is filed thereon, that provides new budget authority

1 (and outlays flowing therefrom), and such provision
2 is designated as an emergency pursuant to this sec-
3 tion, the chairman of the Committee on the Budget
4 of the House of Representatives or the Senate, as
5 applicable, shall make adjustments to the allocations
6 and aggregates set forth in the most recently agreed
7 to joint resolution on the budget, for the purpose of
8 enforcing the points of order set forth in title III of
9 the Congressional Budget Act of 1974, up to the
10 amount of such provisions if such chairman deter-
11 mines and certifies, pursuant to the guidelines re-
12 ferred to in section 113 of the Spending, Deficit,
13 and Debt Control Act of 2009, the portion (if any)
14 of the amount so specified that is for an emergency
15 within the meaning of section 3(12).

16 “(2) LIMITATION ON ADJUSTMENT AUTHOR-
17 ITY.—The adjustments referred to in paragraph (1)
18 made to the allocations made pursuant to section
19 302(a) shall not exceed the amount reserved for
20 emergencies pursuant to the requirements of sub-
21 sections (b) and (c).

22 “(3) EMERGENCY AMOUNTS EXCEEDING AD-
23 JUSTMENT AUTHORITY.—Before any adjustment is
24 made pursuant to this section for any bill, joint reso-
25 lution, concurrent resolution, or conference report

1 that designates a provision an emergency, the enact-
2 ment of which causes the total amount of the reserve
3 fund to be exceeded:

4 “(A) The chairman of the Committee on
5 the Budget of the House of Representatives or
6 the Senate shall convene a meeting of that com-
7 mittee, where it shall be in order, subject to the
8 terms set forth in this section, for one motion
9 described in subparagraph (B) to be made to
10 authorize the chairman to make adjustments
11 above the maximum amount of adjustments set
12 forth in subsection (a).

13 “(B) The motion referred to in subpara-
14 graph (A) shall be in the following form: ‘I
15 move that the chairman of the Committee on
16 the Budget be authorized to adjust the alloca-
17 tions and aggregates set forth in the joint reso-
18 lution on the budget for fiscal year _____
19 by the following amount: \$_____ for fiscal
20 year _____.’, with the second blank being
21 filled in with amount determined by the chair-
22 man of the Committee on the Budget and the
23 first and third blank being filled in by the ap-
24 plicable fiscal year.

1 “(C) The motion set forth in subparagraph
2 (B) shall be open for debate and amendment,
3 but any amendment offered thereto is only in
4 order if limited to changing an amount in the
5 motion.

6 “(D) The chairman of the applicable Com-
7 mittee on the Budget may make any adjust-
8 ments he deems necessary under this section if
9 he determines the enactment of any provision
10 designated as an emergency is essential to re-
11 spond to an urgent and imminent need, the
12 chairman determines that exceptional cir-
13 cumstances exist and the committee cannot con-
14 vene to consider the motion referred to in this
15 section in a timely fashion.

16 “(4) The adjustments made pursuant to sub-
17 section (a)(1) or (2) shall—

18 “(A) apply while that bill, joint resolution,
19 conference report, or amendment is under con-
20 sideration; and

21 “(B) take effect upon the enactment of
22 that legislation.

23 “(5) Such bill or joint resolution shall be re-
24 ferred to the Committee on the Budget of the House
25 of Representatives or the Senate with instructions to

1 report it without amendment, other than that speci-
2 fied in paragraph (2), within 5 legislative days of the
3 day in which it is reported from the originating com-
4 mittee. If the Committee on the Budget of either
5 House fails to report a bill or joint resolution re-
6 ferred to it under this paragraph within such 5-day
7 period, the committee shall be automatically dis-
8 charged from further consideration of such bill or
9 joint resolution and such bill or joint resolution shall
10 be placed on the appropriate calendar.

11 “(6) An amendment to such a bill or joint reso-
12 lution referred to in this subsection shall only consist
13 of an exemption from section 251 of the Balanced
14 Budget and Emergency Deficit Control Act of 1985
15 of all or any part of the provisions that provide
16 budget authority (and the outlays flowing therefrom)
17 for such emergency if the committee determines,
18 pursuant to the guidelines referred to in section 113
19 of the Spending, Deficit, and Debt Control Act of
20 2009, that such budget authority is for an emer-
21 gency within the meaning of section 3(12).

22 “(b) RESERVE FUND.—The amount set forth in the
23 reserve fund for emergencies for budget authority and out-
24 lays for a fiscal year pursuant to section 301(a)(4) shall
25 equal:

1 “(1) The average of the enacted levels of budg-
2 et authority for emergencies (other than those cov-
3 ered by subsection (c)) in the 10 fiscal years pre-
4 ceding the current year; omitting in such average
5 the fiscal years with the highest and lowest levels of
6 budget authority.

7 “(2) The average of the levels of outlays for
8 emergencies in the 10 fiscal years preceding the cur-
9 rent year flowing from the budget authority referred
10 to in paragraph (1), but only in the fiscal year for
11 which such budget authority first becomes available
12 for obligation.

13 “(3) The adjustments made pursuant to sub-
14 section (a)(1) or (2) shall—

15 “(A) apply while that bill, joint resolution,
16 conference report, or amendment is under con-
17 sideration; and

18 “(B) take effect upon the enactment of
19 that legislation.

20 “(4) Such bill or joint resolution shall be re-
21 ferred to the Committee on the Budget of the House
22 of Representatives or the Senate with instructions to
23 report it without amendment, other than that speci-
24 fied in paragraph (2), within 5 legislative days of the
25 day in which it is reported from the originating com-

1 mittee. If the Committee on the Budget of either
2 House fails to report a bill or joint resolution re-
3 ferred to it under this paragraph within such 5-day
4 period, the committee shall be automatically dis-
5 charged from further consideration of such bill or
6 joint resolution and such bill or joint resolution shall
7 be placed on the appropriate calendar.

8 “(5) An amendment to such a bill or joint reso-
9 lution referred to in this subsection shall only consist
10 of an exemption from section 251 of the Balanced
11 Budget and Emergency Deficit Control Act of 1985
12 of all or any part of the provisions that provide
13 budget authority (and the outlays flowing therefrom)
14 for such emergency if the committee determines,
15 pursuant to the guidelines referred to in section 113
16 of the Spending, Deficit, and Debt Control Act of
17 2009, that such budget authority is for an emer-
18 gency within the meaning of section 3(12).

19 “(c) TREATMENT OF EMERGENCIES TO FUND CER-
20 TAIN MILITARY OPERATIONS.—Whenever the Committee
21 on Appropriations reports any bill or joint resolution that
22 provides budget authority for any emergency that is a
23 threat to national security and the funding of which car-
24 ries out a military operation authorized by a declaration
25 of war or a joint resolution authorizing the use of military

1 force (or economic assistance funding in furtherance of
2 such operation) and the report accompanying that bill or
3 joint resolution identifies any provision that increases out-
4 lays or provides budget authority (and the outlays flowing
5 therefrom) for such emergency, the enactment of which
6 causes the total amount of budget authority or outlays
7 provided for emergencies for the budget year in the joint
8 resolution on the budget (pursuant to section 301(a)(4))
9 to be exceeded:

10 “(1) Such bill or joint resolution shall be re-
11 ferred to the Committee on the Budget of the House
12 of Representatives or the Senate, as the case may
13 be, with instructions to report it without amend-
14 ment, other than that specified in paragraph (2),
15 within 5 legislative days of the day in which it is re-
16 ported from the originating committee. If the Com-
17 mittee on the Budget of either House fails to report
18 a bill or joint resolution referred to it under this
19 paragraph within such 5-day period, the committee
20 shall be automatically discharged from further con-
21 sideration of such bill or joint resolution and such
22 bill or joint resolution shall be placed on the appro-
23 priate calendar.

24 “(2) An amendment to such a bill or joint reso-
25 lution referred to in this subsection shall only consist

1 of an exemption from section 251 of the Balanced
2 Budget and Emergency Deficit Control Act of 1985
3 of all or any part of the provisions that provide
4 budget authority (and the outlays flowing therefrom)
5 for such emergency if the committee determines,
6 pursuant to the guidelines referred to in section 113
7 of the Spending, Deficit, and Debt Control Act of
8 2009, that such budget authority is for an emer-
9 gency within the meaning of section 3(12).

10 “(3) If such a bill or joint resolution is reported
11 with an amendment specified in paragraph (2) by
12 the Committee on the Budget of the House of Rep-
13 resentatives or the Senate, then the budget authority
14 and resulting outlays that are the subject of such
15 amendment shall not be included in any determina-
16 tions under section 302(f) or 311(a) for any bill,
17 joint resolution, amendment, motion, or conference
18 report.”.

19 (b) CONFORMING AMENDMENT.—The table of con-
20 tents set forth in section 1(b) of the Congressional Budget
21 and Impoundment Control Act of 1974 is amended by in-
22 serting after the item relating to section 316 the following
23 new item:

“Sec. 317. Emergencies.”.

1 **SEC. 116. APPLICATION OF SECTION 306 TO EMERGENCIES**
2 **IN EXCESS OF AMOUNTS IN RESERVE FUND.**

3 Section 306 of the Congressional Budget Act of 1974
4 is amended by inserting at the end the following new sen-
5 tence: “No amendment reported by the Committee on the
6 Budget (or from the consideration of which such com-
7 mittee has been discharged) pursuant to section 317 may
8 be amended.”.

9 **SEC. 117. UP-TO-DATE TABULATIONS.**

10 Section 308(b)(2) of the Congressional Budget Act
11 of 1974 is amended by striking “and” at the end of sub-
12 paragraph (B), by striking the period at the end of sub-
13 paragraph (C) and inserting “; and”, and by adding at
14 the end the following new subparagraph:

15 “(D) shall include an up-to-date tabulation
16 of amounts remaining in the reserve fund for
17 emergencies.”.

18 **SEC. 118. PROHIBITION ON AMENDMENTS TO THE EMER-**
19 **GENCY RESERVE FUND.**

20 (a) POINT OF ORDER.—Section 305 of the Congres-
21 sional Budget Act of 1974 (as amended by section 103(f))
22 is further amended by adding at the end the following new
23 subsection:

24 “(f) POINT OF ORDER REGARDING EMERGENCY RE-
25 SERVE FUND.—It shall not be in order in the House of
26 Representatives or in the Senate to consider an amend-

1 ment to a joint resolution on the budget which changes
 2 the amount of budget authority and outlays set forth in
 3 section 301(a)(4) for the emergency reserve fund.”.

4 (b) TECHNICAL AMENDMENT.—(1) Section
 5 904(C)(1) of the Congressional Budget Act of 1974 is
 6 amended by inserting “305(e), 305(f),” after
 7 “305(c)(4),”.

8 (2) Section 904(d)(2) of the Congressional Budget
 9 Act of 1974 is amended by inserting “305(e), 305(f),”
 10 after “305(c)(4),”.

11 **Subtitle C—Biennial Budget**

12 **SEC. 121. EFFECTIVE DATE.**

13 The provisions of this subtitle shall take effect on
 14 January 1 of the calendar year after the year of the enact-
 15 ment of this Act.

16 **SEC. 122. REVISION OF TIMETABLE.**

17 Section 300 of the Congressional Budget Act of 1974
 18 (2 U.S.C. 631) is amended to read as follows:

19 “TIMETABLE

20 “SEC. 300. (a) IN GENERAL.—Except as provided by
 21 subsection (b), the timetable with respect to the congres-
 22 sional budget process for any Congress (beginning with
 23 the One Hundred Twelfth Congress or a subsequent Con-
 24 gress, as applicable) is as follows:

“First Session

On or before:

Action to be completed:

“First Session—Continued

| | |
|---|---|
| First Monday in February | President submits budget recommendations. |
| February 15 | Congressional Budget Office submits report to Budget Committees. |
| Not later than 6 weeks after budget submission. | Committees submit views and estimates to Budget Committees. |
| April 1 | Budget Committees report joint resolution on the biennial budget. |
| May 15 | Congress completes action on joint resolution on the biennial budget. |
| May 15 | Biennial appropriation bills may be considered in the House of Representatives. |
| June 10 | House Appropriations Committee reports last biennial appropriation bill. |
| June 30 | House completes action on biennial appropriation bills. |
| October 1 | Biennium begins. |

“Second Session

| | |
|---|--|
| On or before: | Action to be completed: |
| February 15 | President submits budget review. |
| Not later than 6 weeks after President submits budget review. | Congressional Budget Office submits report to Budget Committees. |
| The last day of the session | Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium. |

1 “(b) SPECIAL RULE.—In the case of any first session
2 of Congress that begins in any year during which the term
3 of a President (except a President who succeeds himself)
4 begins, the following dates shall supersede those set forth
5 in subsection (a):

“First Session

| | |
|-----------------------------|---|
| On or before: | Action to be completed: |
| First Monday in April | President submits budget recommendations. |
| April 20 | Committees submit views and estimates to Budget Committees. |
| May 15 | Budget Committees report joint resolution on the biennial budget. |
| June 1 | Congress completes action on joint resolution on the biennial budget. |
| June 1 | Biennial appropriation bills may be considered in the House of Representatives. |
| July 1 | House Appropriations Committee reports last biennial appropriation bill. |

“First Session—Continued

July 20 House completes action on biennial appropriation bills.
October 1 Biennium begins.”.

1 **SEC. 123. AMENDMENTS TO THE CONGRESSIONAL BUDGET**
2 **AND IMPOUNDMENT CONTROL ACT OF 1974.**

3 (a) DECLARATION OF PURPOSE.—Section 2(2) of the
4 Congressional Budget and Impoundment Control Act of
5 1974 (2 U.S.C. 621(2)) is amended by striking “each
6 year” and inserting “biennially”.

7 (b) DEFINITIONS.—

8 (1) BUDGET RESOLUTION.—Section 3(4) of
9 such Act (2 U.S.C. 622(4)) is amended by striking
10 “fiscal year” each place it appears and inserting “bi-
11 ennium”.

12 (2) BIENNIUM.—Section 3 of such Act (2
13 U.S.C. 622) (as amended by section 113(a)) is fur-
14 ther amended by adding at the end the following
15 new paragraph:

16 “(13) The term ‘biennium’ means the period of
17 2 consecutive fiscal years beginning on October 1 of
18 any odd-numbered year.”.

19 (c) BIENNIAL JOINT RESOLUTION ON THE BUDG-
20 ET.—

21 (1) CONTENTS OF RESOLUTION.—Section
22 301(a) of such Act (2 U.S.C. 632(a)) is amended—

1 (A) in the matter preceding paragraph (1)
2 by—

3 (i) striking “April 15 of each year”
4 and inserting “May 15 of each odd-num-
5 bered year”;

6 (ii) striking “the fiscal year beginning
7 on October 1 of such year” the first place
8 it appears and inserting “the biennium be-
9 ginning on October 1 of such year”;

10 (iii) striking “the fiscal year beginning
11 on October 1 of such year” the second
12 place it appears and inserting “each fiscal
13 year in such period”; and

14 (iv) striking “each of the four ensuing
15 fiscal years” and inserting “each fiscal
16 year in the next 2 bienniums”;

17 (B) in paragraph (6), by striking “for the
18 fiscal year” and inserting “for each fiscal year
19 in the biennium”; and

20 (C) in paragraph (7), by striking “for the
21 fiscal year” and inserting “for each fiscal year
22 in the biennium”.

23 (2) ADDITIONAL MATTERS.—Section 301(b) of
24 such Act (2 U.S.C. 632(b)) is amended—

1 (A) in paragraph (3), by striking “for such
2 fiscal year” and inserting “for either fiscal year
3 in such biennium”; and

4 (B) in paragraph (7), by striking “for the
5 first fiscal year” and inserting “for each fiscal
6 year in the biennium”.

7 (3) VIEWS OF OTHER COMMITTEES.—Section
8 301(d) of such Act (2 U.S.C. 632(d)) is amended by
9 inserting “(or, if applicable, as provided by section
10 300(b))” after “United States Code”.

11 (4) HEARINGS.—Section 301(e)(1) of such Act
12 (2 U.S.C. 632(e)) is amended by—

13 (A) striking “fiscal year” and inserting
14 “biennium”; and

15 (B) inserting after the second sentence the
16 following: “On or before April 1 of each odd-
17 numbered year (or, if applicable, as provided by
18 section 300(b)), the Committee on the Budget
19 of each House shall report to its House the
20 joint resolution on the budget referred to in
21 subsection (a) for the biennium beginning on
22 October 1 of that year.”.

23 (5) GOALS FOR REDUCING UNEMPLOYMENT.—
24 Section 301(f) of such Act (2 U.S.C. 632(f)) is

1 amended by striking “fiscal year” each place it ap-
2 pears and inserting “biennium”.

3 (6) ECONOMIC ASSUMPTIONS.—Section
4 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is
5 amended by striking “for a fiscal year” and insert-
6 ing “for a biennium”.

7 (7) SECTION HEADING.—The section heading of
8 section 301 of such Act is amended by striking “AN-
9 NUAL” and inserting “BIENNIAL”.

10 (8) TABLE OF CONTENTS.—The item relating
11 to section 301 in the table of contents set forth in
12 section 1(b) of such Act is amended by striking “An-
13 nual” and inserting “Biennial”.

14 (d) COMMITTEE ALLOCATIONS.—Section 302 of such
15 Act (2 U.S.C. 633) is amended—

16 (1) in subsection (a)(1) by—

17 (A) striking “for the first fiscal year of the
18 resolution,” and inserting “for each fiscal year
19 in the biennium,”;

20 (B) striking “for that period of fiscal
21 years” and inserting “for all fiscal years cov-
22 ered by the resolution”; and

23 (C) striking “for the fiscal year of that
24 resolution” and inserting “for each fiscal year
25 in the biennium”;

1 (2) in subsection (f)(1), by striking “for a fiscal
2 year” and inserting “for a biennium”;

3 (3) in subsection (f)(1), by striking “first fiscal
4 year” and inserting “either fiscal year of the bien-
5 nium”;

6 (4) in subsection (f)(2)(A), by—

7 (A) striking “first fiscal year” and insert-
8 ing “each fiscal year of the biennium”; and

9 (B) striking “the total of fiscal years” and
10 inserting “the total of all fiscal years covered by
11 the resolution”; and

12 (5) in subsection (g)(1)(A), by striking “April”
13 and inserting “May”.

14 (e) SECTION 303 POINT OF ORDER.—Section 303 of
15 such Act (2 U.S.C. 634(a)) is amended by striking “for
16 a fiscal year” and inserting “for a biennium” and by strik-
17 ing “the first fiscal year” and inserting “each fiscal year
18 of the biennium”.

19 (f) PERMISSIBLE REVISIONS OF JOINT RESOLUTIONS
20 ON THE BUDGET.—Section 304 of such Act (2 U.S.C.
21 635) is amended—

22 (1) by striking “fiscal year” the first two places
23 it appears and inserting “biennium”;

24 (2) by striking “for such fiscal year”; and

1 (3) by inserting before the period “for such bi-
2 ennium”.

3 (g) PROCEDURES FOR CONSIDERATION OF BUDGET
4 RESOLUTIONS.—Section 305(a)(3) of such Act (2 U.S.C.
5 636(b)(3)) is amended by striking “fiscal year” and in-
6 serting “biennium”.

7 (h) COMPLETION OF HOUSE COMMITTEE ACTION ON
8 APPROPRIATION BILLS.—Section 307 of such Act (2
9 U.S.C. 638) is amended—

10 (1) by striking “each year” and inserting “each
11 odd-numbered year (or, if applicable, as provided by
12 section 300(b), July 1)”;

13 (2) by striking “annual” and inserting “bien-
14 nial”;

15 (3) by striking “fiscal year” and inserting “bi-
16 ennium”; and

17 (4) by striking “that year” and inserting “each
18 odd-numbered year”.

19 (i) COMPLETION OF HOUSE ACTION ON REGULAR
20 APPROPRIATION BILLS.—Section 309 of such Act (2
21 U.S.C. 640) is amended—

22 (1) by striking “It” and inserting “Except
23 whenever section 300(b) is applicable, it”;

24 (2) by inserting “of any odd-numbered calendar
25 year” after “July”;

1 (3) by striking “annual” and inserting “bien-
2 nial”; and

3 (4) by striking “fiscal year” and inserting “bi-
4 ennium”.

5 (j) RECONCILIATION PROCESS.—Section 310 of such
6 Act (2 U.S.C. 641) is amended—

7 (1) in subsection (a), in the matter preceding
8 paragraph (1), by striking “any fiscal year” and in-
9 serting “any biennium”;

10 (2) in subsection (a)(1), by striking “such fiscal
11 year” each place it appears and inserting “any fiscal
12 year covered by such resolution”; and

13 (3) by striking subsection (f) and redesignating
14 subsection (g) as subsection (f).

15 (k) SECTION 311 POINT OF ORDER.—

16 (1) IN THE HOUSE OF REPRESENTATIVES.—
17 Section 311(a)(1) of such Act (2 U.S.C. 642(a)) is
18 amended—

19 (A) by striking “for a fiscal year” and in-
20 serting “for a biennium”;

21 (B) by striking “the first fiscal year” each
22 place it appears and inserting “either fiscal
23 year of the biennium”; and

24 (C) by striking “that first fiscal year” and
25 inserting “each fiscal year in the biennium”.

1 (2) IN THE SENATE.—Section 311(a)(2) of
2 such Act is amended—

3 (A) in subparagraph (A), by striking “for
4 the first fiscal year” and inserting “for either
5 fiscal year of the biennium”; and

6 (B) in subparagraph (B)—

7 (i) by striking “that first fiscal year”
8 the first place it appears and inserting
9 “each fiscal year in the biennium”; and

10 (ii) by striking “that first fiscal year
11 and the ensuing fiscal years” and inserting
12 “all fiscal years”.

13 (3) SOCIAL SECURITY LEVELS.—Section
14 311(a)(3) of such Act is amended by—

15 (A) striking “for the first fiscal year” and
16 inserting “each fiscal year in the biennium”;
17 and

18 (B) striking “that fiscal year and the ensu-
19 ing fiscal years” and inserting “all fiscal
20 years”.

21 (l) MAXIMUM DEFICIT AMOUNT POINT OF ORDER.—
22 Section 312(c) of the Congressional Budget Act of 1974
23 (2 U.S.C. 643) is amended—

24 (1) by striking “for a fiscal year” and inserting
25 “for a biennium”;

1 (2) in paragraph (1), by striking “first fiscal
2 year” and inserting “either fiscal year in the bien-
3 nium”;

4 (3) in paragraph (2), by striking “that fiscal
5 year” and inserting “either fiscal year in the bien-
6 nium”; and

7 (4) in the matter following paragraph (2), by
8 striking “that fiscal year” and inserting “the appli-
9 cable fiscal year”.

10 **SEC. 124. AMENDMENTS TO RULES OF THE HOUSE OF REP-**
11 **RESENTATIVES.**

12 (a) Clause 4(a)(1)(A) of rule X of the Rules of the
13 House of Representatives is amended by inserting “odd-
14 numbered” after “each”.

15 (b) Clause 4(a)(4) of rule X of the Rules of the House
16 of Representatives is amended by striking “fiscal year”
17 and inserting “biennium”.

18 (c) Clause 4(b)(2) of rule X of the Rules of the House
19 of Representatives is amended by striking “each fiscal
20 year” and inserting “the biennium”.

21 (d) Clause 4(b) of rule X of the Rules of the House
22 of Representatives is amended by striking “and” at the
23 end of subparagraph (5), by striking the period and insert-
24 ing “; and” at the end of subparagraph (6), and by adding
25 at the end the following new subparagraph:

1 “(7) use the second session of each Congress to
2 study issues with long-term budgetary and economic
3 implications, including holding hearings to receive
4 testimony from committees of jurisdiction to identify
5 problem areas and to report on the results of over-
6 sight; and by January 1 of each odd-number year,
7 issuing a report to the Speaker which identifies the
8 key issues facing the Congress in the next bien-
9 nium.”.

10 (e) Clause 4(e) of rule X of the Rules of the House
11 of Representatives is amended by striking “annually” each
12 place it appears and inserting “biennially” and by striking
13 “annual” and inserting “biennial”.

14 (f) Clause 4(f) of rule X of the Rules of the House
15 of Representatives is amended—

16 (1) by inserting “during each odd-numbered
17 year” after “submits his budget”;

18 (2) by striking “fiscal year” the first place it
19 appears and inserting “biennium”; and

20 (3) by striking “that fiscal year” and inserting
21 “each fiscal year in such ensuing biennium”.

22 (g) Clause 11(i) of rule X of the Rules of the House
23 of Representatives is amended by striking “during the
24 same or preceding fiscal year”.

1 (h) Clause 3(d)(2)(A) of rule XIII of the Rules of
 2 the House of Representatives is amended by striking
 3 “five” both places it appears and inserting “six”.

4 (i) Clause 5(a)(1) of rule XIII of the Rules of the
 5 House of Representatives is amended by striking “fiscal
 6 year after September 15 in the preceding fiscal year” and
 7 inserting “biennium after September 15 of the calendar
 8 year in which such biennium begins”.

9 **SEC. 125. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**
 10 **OF APPROPRIATION ACTS.**

11 Section 105 of title 1, United States Code, is amend-
 12 ed to read as follows:

13 **“§ 105. Title and style of appropriations Acts**

14 “(a) The style and title of all Acts making appropria-
 15 tions for the support of the Government shall be as fol-
 16 lows: ‘An Act making appropriations (here insert the ob-
 17 ject) for each fiscal year in the biennium of fiscal years
 18 (here insert the fiscal years of the biennium).’.

19 “(b) All Acts making regular appropriations for the
 20 support of the Government shall be enacted for a biennium
 21 and shall specify the amount of appropriations provided
 22 for each fiscal year in such period.

23 “(c) For purposes of this section, the term ‘biennium’
 24 has the same meaning as in section 3(13) of the Congres-

1 sional Budget and Impoundment Control Act of 1974 (2
2 U.S.C. 622(13)).”.

3 **SEC. 126. MULTIYEAR AUTHORIZATIONS.**

4 (a) IN GENERAL.—Title III of the Congressional
5 Budget Act of 1974 (as amended by section 115(a)) is
6 further amended by adding at the end the following new
7 section:

8 “MULTIYEAR AUTHORIZATIONS OF APPROPRIATIONS

9 “SEC. 318. (a) It shall not be in order in the House
10 of Representatives or the Senate to consider any measure
11 that contains a specific authorization of appropriations for
12 any purpose unless the measure includes such a specific
13 authorization of appropriations for that purpose for not
14 less than each fiscal year in one or more bienniums.

15 “(b)(1) For purposes of this section, a specific au-
16 thorization of appropriations is an authorization for the
17 enactment of an amount of appropriations or amounts not
18 to exceed an amount of appropriations (whether stated as
19 a sum certain, as a limit, or as such sums as may be nec-
20 essary) for any purpose for a fiscal year.

21 “(2) Subsection (a) does not apply with respect to
22 an authorization of appropriations for a single fiscal year
23 for any program, project, or activity if the measure con-
24 taining that authorization includes a provision expressly
25 stating the following: ‘Congress finds that no authoriza-
26 tion of appropriation will be required for [Insert name of

1 applicable program, project, or activity] for any subse-
 2 quent fiscal year.’.

3 “(c) For purposes of this section, the term ‘measure’
 4 means a bill, joint resolution, amendment, motion, or con-
 5 ference report.”.

6 (b) AMENDMENT TO TABLE OF CONTENTS.—The
 7 table of contents set forth in section 1(b) of the Congres-
 8 sional Budget and Impoundment Control Act of 1974 is
 9 amended by adding after the item relating to section 317
 10 the following new item:

“Sec. 318. Multiyear authorizations of appropriations.”.

11 **SEC. 127. GOVERNMENT STRATEGIC AND PERFORMANCE**
 12 **PLANS ON A BIENNIAL BASIS.**

13 (a) STRATEGIC PLANS.—Section 306 of title 5,
 14 United States Code, is amended—

15 (1) in subsection (a), by striking “September
 16 30, 1997” and inserting “September 30, 2010”;

17 (2) in subsection (b)—

18 (A) by striking “at least every three years”
 19 and all that follows thereafter and inserting “at
 20 least every 4 years, except that strategic plans
 21 submitted by September 30, 2010, shall be up-
 22 dated and revised by September 30, 2012”; and

23 (B) by striking “five years forward” and
 24 inserting “six years forward”; and

1 (3) in subsection (c), by inserting a comma
2 after “section” the second place it appears and add-
3 ing “including a strategic plan submitted by Sep-
4 tember 30, 2010, meeting the requirements of sub-
5 section (a)”.

6 (b) BUDGET CONTENTS AND SUBMISSION TO CON-
7 GRESS.—Paragraph (28) of section 1105(a) of title 31,
8 United States Code, is amended by striking “beginning
9 with fiscal year 1999, a” and inserting “beginning with
10 fiscal year 2012, a biennial”.

11 (c) PERFORMANCE PLANS.—Section 1115 of title 31,
12 United States Code, is amended—

13 (1) in subsection (a)—

14 (A) in the matter before paragraph (1) by
15 striking “an annual” and inserting “a bien-
16 nial”;

17 (B) in paragraph (1) by inserting after
18 “program activity” the following: “for both
19 years 1 and 2 of the biennial plan”;

20 (C) in paragraph (5) by striking “and”
21 after the semicolon;

22 (D) in paragraph (6) by striking the period
23 and inserting a semicolon; and inserting “and”
24 after the inserted semicolon; and

1 (E) by adding after paragraph (6) the fol-
2 lowing:

3 “(7) cover each fiscal year of the biennium be-
4 ginning with the first fiscal year of the next biennial
5 budget cycle.”;

6 (2) in subsection (d) by striking “annual” and
7 inserting “biennial”; and

8 (3) in paragraph (6) of subsection (g) by strik-
9 ing “annual” and inserting “biennial”.

10 (d) MANAGERIAL ACCOUNTABILITY AND FLEXI-
11 BILITY.—Section 9703 of title 31, United States Code, re-
12 lating to managerial accountability, is amended—

13 (1) in subsection (a)—

14 (A) in the first sentence by striking “an-
15 nual”; and

16 (B) by striking “section 1105(a)(29)” and
17 inserting “section 1105(a)(28)”;

18 (2) in subsection (e)—

19 (A) in the first sentence by striking “one
20 or” before “two years”;

21 (B) in the second sentence by striking “a
22 subsequent year” and inserting “for a subse-
23 quent 2-year period”; and

24 (C) in the third sentence by striking
25 “three” and inserting “four”.

1 (e) STRATEGIC PLANS.—Section 2802 of title 39,
2 United States Code, is amended—

3 (1) in subsection (a), by striking “September
4 30, 1997” and inserting “September 30, 2010”;

5 (2) in subsection (b), by striking “at least every
6 three years” and inserting “at least every 4 years
7 except that strategic plans submitted by September
8 30, 2010, shall be updated and revised by September
9 30, 2013”;

10 (3) in subsection (b), by striking “five years
11 forward” and inserting “six years forward”; and

12 (4) in subsection (c), by inserting a comma
13 after “section” the second place it appears and in-
14 serting “including a strategic plan submitted by
15 September 30, 2010, meeting the requirements of
16 subsection (a)”.

17 (f) PERFORMANCE PLANS.—Section 2803(a) of title
18 39, United States Code, is amended—

19 (1) in the matter before paragraph (1), by
20 striking “an annual” and inserting “a biennial”;

21 (2) in paragraph (1), by inserting after “pro-
22 gram activity” the following: “for both years 1 and
23 2 of the biennial plan”;

24 (3) in paragraph (5), by striking “and” after
25 the semicolon;

1 (4) in paragraph (6), by striking the period and
2 inserting “; and”; and

3 (5) by adding after paragraph (6) the following:

4 “(7) cover each fiscal year of the biennium be-
5 ginning with the first fiscal year of the next biennial
6 budget cycle.”.

7 (g) COMMITTEE VIEWS OF PLANS AND REPORTS.—
8 Section 301(d) of the Congressional Budget Act (2 U.S.C.
9 632(d)) is amended by adding at the end “Each committee
10 of the Senate or the House of Representatives shall review
11 the strategic plans, performance plans, and performance
12 reports, required under section 306 of title 5, United
13 States Code, and sections 1115 and 1116 of title 31,
14 United States Code, of all agencies under the jurisdiction
15 of the committee. Each committee may provide its views
16 on such plans or reports to the Committee on the Budget
17 of the applicable House.”.

18 **SEC. 128. BIENNIAL APPROPRIATION BILLS.**

19 (a) IN THE HOUSE OF REPRESENTATIVES.—Clause
20 2(a) of rule XXI of the Rules of the House of Representa-
21 tives is amended by adding at the end the following new
22 subparagraph:

23 “(3)(A) Except as provided by subdivision (B), an ap-
24 propriation may not be reported in a general appropriation
25 bill (other than a supplemental appropriation bill), and

1 may not be in order as an amendment thereto, unless it
2 provides new budget authority or establishes a level of ob-
3 ligations under contract authority for each fiscal year of
4 a biennium.

5 “(B) Subdivision (A) does not apply with respect to
6 an appropriation for a single fiscal year for any program,
7 project, or activity if the bill or amendment thereto con-
8 taining that appropriation includes a provision expressly
9 stating the following: ‘Congress finds that no additional
10 funding beyond one fiscal year will be required and the
11 [Insert name of applicable program, project, or activity]
12 will be completed or terminated after the amount provided
13 has been expended.’.

14 “(C) For purposes of paragraph (b), the statement
15 set forth in subdivision (B) with respect to an appropria-
16 tion for a single fiscal year for any program, project, or
17 activity may be included in a general appropriation bill
18 or amendment thereto.”.

19 (b) CONFORMING AMENDMENT.—Clause 5(b)(1) of
20 rule XXII of the House of Representatives is amended by
21 striking “or (C)” and inserting “or (3) or 2(C)”.

1 **SEC. 129. ASSISTANCE BY FEDERAL AGENCIES TO STAND-**
2 **ING COMMITTEES OF THE SENATE AND THE**
3 **HOUSE OF REPRESENTATIVES.**

4 (a) INFORMATION REGARDING AGENCY APPROPRIA-
5 TIONS REQUESTS.—To assist each standing committee of
6 the House of Representatives and the Senate in carrying
7 out its responsibilities, the head of each Federal agency
8 which administers the laws or parts of laws under the ju-
9 risdiction of such committee shall provide to such com-
10 mittee such studies, information, analyses, reports, and
11 assistance as may be requested by the chairman and rank-
12 ing minority member of the committee.

13 (b) INFORMATION REGARDING AGENCY PROGRAM
14 ADMINISTRATION.—To assist each standing committee of
15 the House of Representatives and the Senate in carrying
16 out its responsibilities, the head of any agency shall fur-
17 nish to such committee documentation, containing infor-
18 mation received, compiled, or maintained by the agency
19 as part of the operation or administration of a program,
20 or specifically compiled pursuant to a request in support
21 of a review of a program, as may be requested by the
22 chairman and ranking minority member of such com-
23 mittee.

24 (c) SUMMARIES BY COMPTROLLER GENERAL.—With-
25 in 30 days after the receipt of a request from a chairman
26 and ranking minority member of a standing committee

1 having jurisdiction over a program being reviewed and
 2 studied by such committee under this section, the Comp-
 3 troller General of the United States shall furnish to such
 4 committee summaries of any audits or reviews of such pro-
 5 gram which the Comptroller General has completed during
 6 the preceding 6 years.

7 (d) CONGRESSIONAL ASSISTANCE.—Consistent with
 8 their duties and functions under law, the Comptroller Gen-
 9 eral of the United States, the Director of the Congres-
 10 sional Budget Office, and the Director of the Congres-
 11 sional Research Service shall continue to furnish (con-
 12 sistent with established protocols) to each standing com-
 13 mittee of the House of Representatives or the Senate such
 14 information, studies, analyses, and reports as the chair-
 15 man and ranking minority member may request to assist
 16 the committee in conducting reviews and studies of pro-
 17 grams under this section.

18 **Subtitle D—Prevention of** 19 **Government Shutdown**

20 **SEC. 131. AMENDMENT TO TITLE 31.**

21 (a) IN GENERAL.—Chapter 13 of title 31, United
 22 States Code, is amended by inserting after section 1310
 23 the following new section:

1 **“§ 1311. Continuing appropriations**

2 “(a)(1) If any regular appropriation bill for a fiscal
3 year (or, if applicable, for each fiscal year in a biennium)
4 does not become law before the beginning of such fiscal
5 year or a joint resolution making continuing appropria-
6 tions is not in effect, there are appropriated, out of any
7 money in the Treasury not otherwise appropriated, and
8 out of applicable corporate or other revenues, receipts, and
9 funds, excluding any budget authority designated as an
10 emergency or temporary funding for projects or activities
11 that are not part of ongoing operations, to such sums as
12 may be necessary to continue any project or activity for
13 which funds were provided in the preceding fiscal year—

14 “(A) in the corresponding regular appropriation
15 Act for such preceding fiscal year; or

16 “(B) if the corresponding regular appropriation
17 bill for such preceding fiscal year did not become
18 law, then in a joint resolution making continuing ap-
19 propriations for such preceding fiscal year.

20 “(2) Appropriations and funds made available, and
21 authority granted, for a project or activity for any fiscal
22 year pursuant to this section shall be at a rate of oper-
23 ations not in excess of the lower of—

24 “(A) the rate of operations provided for in the
25 regular appropriation Act providing for such project
26 or activity for the preceding fiscal year;

1 “(B) in the absence of such an Act, the rate of
2 operations provided for such project or activity pur-
3 suant to a joint resolution making continuing appro-
4 priations for such preceding fiscal year;

5 “(C) the rate of operations provided for in the
6 regular appropriation bill as passed by the House of
7 Representatives or the Senate for the fiscal year in
8 question, except that the lower of these two versions
9 shall be ignored for any project or activity for which
10 there is a budget request if no funding is provided
11 for that project or activity in either version; or

12 “(D) the annualized rate of operations provided
13 for in the most recently enacted joint resolution
14 making continuing appropriations for part of that
15 fiscal year or any funding levels established under
16 the provisions of this Act.

17 “(3) Appropriations and funds made available, and
18 authority granted, for any fiscal year pursuant to this sec-
19 tion for a project or activity shall be available for the pe-
20 riod beginning with the first day of a lapse in appropria-
21 tions and ending with the earlier of—

22 “(A) the date on which the applicable regular
23 appropriation bill for such fiscal year becomes law
24 (whether or not such law provides for such project

1 or activity) or a continuing resolution making appro-
2 priations becomes law, as the case may be; or

3 “(B) the last day of such fiscal year.

4 “(b) An appropriation or funds made available, or au-
5 thority granted, for a project or activity for any fiscal year
6 pursuant to this section shall be subject to the terms and
7 conditions imposed with respect to the appropriation made
8 or funds made available for the preceding fiscal year, or
9 authority granted for such project or activity under cur-
10 rent law.

11 “(c) Appropriations and funds made available, and
12 authority granted, for any project or activity for any fiscal
13 year pursuant to this section shall cover all obligations or
14 expenditures incurred for such project or activity during
15 the portion of such fiscal year for which this section ap-
16 plies to such project or activity.

17 “(d) Expenditures made for a project or activity for
18 any fiscal year pursuant to this section shall be charged
19 to the applicable appropriation, fund, or authorization
20 whenever a regular appropriation bill or a joint resolution
21 making continuing appropriations until the end of a fiscal
22 year providing for such project or activity for such period
23 becomes law.

1 “(e) This section shall not apply to a project or activ-
2 ity during a fiscal year if any other provision of law (other
3 than an authorization of appropriations)—

4 “(1) makes an appropriation, makes funds
5 available, or grants authority for such project or ac-
6 tivity to continue for such period; or

7 “(2) specifically provides that no appropriation
8 shall be made, no funds shall be made available, or
9 no authority shall be granted for such project or ac-
10 tivity to continue for such period.

11 “(f) For purposes of this section, the term ‘regular
12 appropriation bill’ means any annual appropriation bill
13 making appropriations, otherwise making funds available,
14 or granting authority, for any of the following categories
15 of projects and activities:

16 “(1) Agriculture, rural development, Food and
17 Drug Administration, and related agencies pro-
18 grams.

19 “(2) The Department of Defense.

20 “(3) Energy and water development, and re-
21 lated agencies.

22 “(4) State, foreign operations, and related pro-
23 grams.

24 “(5) The Department of Homeland Security.

1 “(6) The Department of the Interior, Environ-
2 mental Protection Agency, and related agencies.

3 “(7) The Departments of Labor, Health and
4 Human Services, and Education, and related agen-
5 cies.

6 “(8) Military construction, veterans affairs, and
7 related agencies.

8 “(9) Science, the Departments of State, Jus-
9 tice, and Commerce, and related agencies.

10 “(10) The Departments of Transportation,
11 Housing and Urban Development, and related agen-
12 cies.

13 “(11) The Legislative Branch.

14 “(12) Financial services and general govern-
15 ment.”.

16 (b) CLERICAL AMENDMENT.—The analysis of chap-
17 ter 13 of title 31, United States Code, is amended by in-
18 serting after the item relating to section 1310 the fol-
19 lowing new item:

“1311. Continuing appropriations.”.

20 **Subtitle E—The Baseline**

21 **SEC. 141. ELIMINATION OF INFLATION ADJUSTMENT.**

22 Section 257(c) of the Balanced Budget and Emer-
23 gency Deficit Control Act of 1985 is amended—

24 (1) in paragraph (1) by striking “for inflation
25 as specified in paragraph (5),”; and

1 (2) by striking paragraph (5) and redesignating
2 paragraph (6) as paragraph (5).

3 **SEC. 142. THE PRESIDENT'S BUDGET.**

4 (a) Paragraph (5) of section 1105(a) of title 31,
5 United States Code, is amended to read as follows:

6 “(5) except as provided in subsection (b) of this
7 section, estimated expenditures and appropriations
8 for the current year and estimated expenditures and
9 proposed appropriations the President decides are
10 necessary to support the Government in the fiscal
11 year for which the budget is submitted and at least
12 the 4 fiscal years following that year, and, except for
13 detailed budget estimates, the percentage change
14 from the current year to the fiscal year for which
15 the budget is submitted for estimated expenditures
16 and for appropriations.”.

17 (b) Section 1105(a)(6) of title 31, United States
18 Code, is amended to read as follows:

19 “(6) estimated receipts of the Government in
20 the current year and the fiscal year for which the
21 budget is submitted and at least the 4 fiscal years
22 after that year under—

23 “(A) laws in effect when the budget is sub-
24 mitted; and

1 “(B) proposals in the budget to increase
2 revenues,
3 and the percentage change (in the case of each cat-
4 egory referred to in subparagraphs (A) and (B)) be-
5 tween the current year and the fiscal year for which
6 the budget is submitted and between the current
7 year and each of the 9 fiscal years after the fiscal
8 year for which the budget is submitted.”.

9 (c) Section 1105(a)(12) of title 31, United States
10 Code, is amended to read as follows:

11 “(12) for each proposal in the budget for legis-
12 lation that establishes or expands a Government ac-
13 tivity or function, a table showing—

14 “(A) the amount proposed in the budget
15 for appropriation and for expenditure because
16 of the proposal in the fiscal year for which the
17 budget is submitted;

18 “(B) the estimated appropriation required
19 because of the proposal for each of at least the
20 4 fiscal years after that year that the proposal
21 will be in effect; and

22 “(C) the estimated amount for the same
23 activity or function, if any, in the current fiscal
24 year,

1 and, except for detailed budget estimates, the per-
2 centage change (in the case of each category re-
3 ferred to in subparagraphs (A), (B), and (C)) be-
4 tween the current year and the fiscal year for which
5 the budget is submitted.”.

6 (d) Section 1105(a)(18) of title 31, United States
7 Code, is amended by inserting “new budget authority
8 and” before “budget outlays”.

9 (e) Section 1105(a) of title 31, United States Code,
10 is amended by adding at the end the following new para-
11 graphs:

12 “(36) a comparison of levels of estimated ex-
13 penditures and proposed appropriations for each
14 function and subfunction in the current fiscal year
15 and the fiscal year for which the budget is sub-
16 mitted, along with the proposed increase or decrease
17 of spending in percentage terms for each function
18 and subfunction.

19 “(37) a table on sources of growth in total di-
20 rect spending under current law and as proposed in
21 this budget submission for the budget year and at
22 least the ensuing 9 fiscal years, which shall include
23 changes in outlays attributable to the following: cost-
24 of-living adjustments; changes in the number of pro-
25 gram recipients; increases in medical care prices,

1 utilization and intensity of medical care; and resid-
2 ual factors.”.

3 (f) Section 1109(a) of title 31, United States Code,
4 is amended by inserting after the first sentence the fol-
5 lowing new sentence: “For discretionary spending, these
6 estimates shall assume the levels no higher than those set
7 forth in the discretionary spending limits under section
8 251(b) of the Balanced Budget and Emergency Deficit
9 Control Act of 1985, as adjusted, for the appropriate fiscal
10 years (and if no such limits are in effect, these estimates
11 shall assume adjusted levels no higher than those for the
12 most recent fiscal year for which such levels were in ef-
13 fect).”.

14 **SEC. 143. THE CONGRESSIONAL BUDGET.**

15 Section 301(e) of the Congressional Budget Act of
16 1974 (as amended by section 103) is further amended—

17 (1) in paragraph (1), by inserting at the end
18 the following: “The basis of deliberations in devel-
19 oping such joint resolution shall be the estimated
20 budgetary levels for the preceding fiscal year. Any
21 budgetary levels pending before the committee and
22 the text of the joint resolution shall be accompanied
23 by a document comparing such levels or such text to
24 the estimated levels of the prior fiscal year.”; and

1 (2) in paragraph (2), by striking “and” at the
 2 end of subparagraph (H) (as redesignated), by strik-
 3 ing the period and inserting “; and” at the end of
 4 subparagraph (I) (as redesignated), and by adding
 5 at the end the following new subparagraph:

6 “(J) a comparison of levels for the current
 7 fiscal year with proposed spending and revenue
 8 levels for the subsequent fiscal years along with
 9 the proposed increase or decrease of spending
 10 in percentage terms for each function.”.

11 **SEC. 144. CONGRESSIONAL BUDGET OFFICE REPORTS TO**
 12 **COMMITTEES.**

13 (a) **COMPARABLE LEVELS.**—The first sentence of
 14 section 202(e)(1) of the Congressional Budget Act of 1974
 15 is amended by inserting “compared to comparable levels
 16 for the current year” before the comma at the end of sub-
 17 paragraph (A) and before the comma at the end of sub-
 18 paragraph (B).

19 (b) **SOURCES OF SPENDING GROWTH.**—Section
 20 202(e)(1) of the Congressional Budget Act of 1974 is
 21 amended by inserting after the first sentence the following
 22 new sentence: “Such report shall also include a table on
 23 sources of spending growth in total direct spending, rev-
 24 enue, deficit and debt for the budget year and the ensuing
 25 4 fiscal years, which shall include changes in outlays at-

1 tributable to the following: cost-of-living adjustments;
2 changes in the number of program recipients; increases
3 in medical care prices, utilization and intensity of medical
4 care; and residual factors.”.

5 (c) COMPARISON OF LEVELS.—Section 308(a)(1)(B)
6 of the Congressional Budget Act of 1974 is amended by
7 inserting “and shall include a comparison of those levels
8 to comparable levels for the current fiscal year” before “if
9 timely submitted”.

10 **SEC. 145. TREATMENT OF EMERGENCIES.**

11 Section 257(c) of the Balanced Budget and Emer-
12 gency Deficit Control Act of 1985 (as amended by section
13 141) is further amended by adding at the end the fol-
14 lowing new paragraph:

15 “(6) EMERGENCIES.—Budgetary resources for
16 emergencies shall be at the level provided in the re-
17 serve fund for emergencies for that fiscal year pur-
18 suant to section 301(a)(4) of the Congressional
19 Budget Act of 1974.”.

20 **TITLE II—SPENDING LIMITS AND**
21 **DEFICIT CONTROL**

22 **SEC. 200. SHORT TITLE.**

23 This title may be cited as the “Spending Enforcement
24 and Reform Act of 2009”.

1 **Subtitle A—Spending Limits and**
2 **Deficit Control**

3 **SEC. 201. DISCRETIONARY SPENDING LIMITS.**

4 (a) DISCRETIONARY SPENDING LIMITS.—Section
5 251 of the Balanced Budget and Emergency Deficit Con-
6 trol of Act of 1985 is amended to read as follows:

7 “(a) DISCRETIONARY SPENDING LIMITS.—For each
8 fiscal year set forth in this subsection, the total level of
9 discretionary spending for all nonexempt discretionary
10 spending programs, projects, and activities shall not ex-
11 ceed the following levels:

12 “(1) with respect to fiscal year 2011—

13 “(A) \$1,058,021,000,000 in new budget
14 authority; and

15 “(B) \$1,216,924,000,000 in outlays;

16 “(2) with respect to fiscal year 2012—

17 “(A) \$1,068,938,000,000 in new budget
18 authority; and

19 “(B) \$1,164,593,000,000 in outlays;

20 “(3) with respect to fiscal year 2013—

21 “(A) \$1,079,387,000,000 in new budget
22 authority; and

23 “(B) \$1,158,941,000,000 in outlays;

24 “(4) with respect to fiscal year 2014—

1 “(A) \$1,094,344,000,000 in new budget
2 authority; and

3 “(B) \$1,160,021,000,000 in outlays;
4 “(5) with respect to fiscal year 2015—

5 “(A) \$1,113,727,000,000 in new budget
6 authority; and

7 “(B) \$1,168,741,000,000 in outlays;
8 “(6) with respect to fiscal year 2016—

9 “(A) \$1,138,053,000,000 in new budget
10 authority; and

11 “(B) \$1,189,434,000,000 in outlays;
12 “(7) with respect to fiscal year 2017—

13 “(A) \$1,162,849,000,000 in new budget
14 authority; and

15 “(B) \$1,207,686,000,000 in outlays; and
16 “(8) with respect to fiscal year 2018—

17 “(A) \$1,187,516,000,000 in new budget
18 authority; and

19 “(B) \$1,226,788,000,000 in outlays; and
20 “(9) with respect to fiscal year 2019—

21 “(A) \$1,214,197,000,000 in new budget
22 authority; and

23 “(B) \$1,256,883,000,000 in outlays.

24 “(b) SEQUENCE OF SEQUESTRATION REPORTS.—

25 Within 15 calendar days after Congress adjourns to end

1 a session and on the same day as a spending reduction
 2 ordered under sections 252A, 252B, and 253, but prior
 3 to any spending reduction required by sections 252A,
 4 252B, and 253, OMB shall issue a final spending reduc-
 5 tion report to reduce an excess spending amount.

6 “(c) SPENDING REDUCTION ORDER.—A spending re-
 7 duction ordered pursuant to subsection (b) shall be imple-
 8 mented using the procedures set forth in section 256.”.

9 (b) CONFORMING AMENDMENT.—The item relating
 10 to section 251 in the table of contents set forth in 250(c)
 11 of the Balanced Budget and Emergency Deficit Control
 12 Act of 1985 is amended to read as follows:

“Sec. 251. Discretionary spending limits.”.

13 **SEC. 202. DIRECT SPENDING LIMITS.**

14 (a) CONTROL OF DIRECT SPENDING.—The Balanced
 15 Budget and Emergency Deficit Control Act of 1985 is
 16 amended by adding after section 252 the following new
 17 section:

18 **“SEC. 252A. DIRECT SPENDING LIMITS.**

19 “(a) DIRECT SPENDING LIMITS.—For fiscal year
 20 2011 and each ensuing fiscal year through fiscal year
 21 2019, the total level of direct spending for all direct spend-
 22 ing programs, projects, and activities for any such fiscal
 23 year shall not exceed the total level of spending for all
 24 such programs, projects, and activities for the previous fis-
 25 cal year after the direct spending for each such program,

1 project, or activity is increased by the calculation made
 2 pursuant to section 257.

3 “(b) SEQUENCE OF SEQUESTRATION REPORTS.—
 4 Within 15 calendar days after Congress adjourns to end
 5 a session and on the same day as a spending reduction
 6 ordered under sections 251, 253, 252B, but after any
 7 spending reduction required by section 251 and section
 8 252A, OMB shall issue a final spending reduction report
 9 to reduce an excess spending amount (if any remains).

10 “(c) SPENDING REDUCTION ORDER.—A spending re-
 11 duction ordered pursuant to subsection (b) shall be imple-
 12 mented using the procedures set forth in section 256.”.

13 (b) CONFORMING AMENDMENT.—The table of con-
 14 tents set forth in 250(c) of the Balanced Budget and
 15 Emergency Deficit Control Act of 1985 is amended by
 16 amending the item relating to section 256 to read as fol-
 17 lows:

“Sec. 252A. Enforcing direct spending limits.”.

18 **SEC. 203. TOTAL SPENDING LIMITS.**

19 (a) TOTAL SPENDING LIMITS.—After section 252A
 20 of the Balanced Budget and Emergency Deficit Control
 21 Act of 1985, add the following new section:

22 **“SEC. 252B. TOTAL SPENDING LIMITS.**

23 “(a) PROJECTIONS.—

24 “(1) SPENDING PROJECTIONS.—For the cur-
 25 rent fiscal year and each subsequent ten fiscal years:

1 “(A) OMB shall prepare a report com-
2 paring projected total spending under section
3 257 and the total spending limits in subsection
4 (d), and include such report in the budget as
5 submitted by the President annually under sec-
6 tion 1105(a) of title 31, United States Code.

7 “(B) CBO shall prepare a report com-
8 paring projected total spending under section
9 257 and the total spending limits in subsection
10 (d) and include such report in the CBO annual
11 baseline and reestimate of the President’s budg-
12 et.

13 “(2) INCLUSION IN SPENDING REDUCTION OR-
14 DERS.—Reports prepared pursuant to subsection (a)
15 shall be included in the spending reduction report
16 set forth in subsection (b).

17 “(b) SPENDING REDUCTION REPORT.—Within 15
18 calendar days after Congress adjourns to end a session
19 and on the same day as a spending reduction ordered
20 under sections 251, 252A, and 253, but after any spend-
21 ing reduction required by sections 251 and 252A, but be-
22 fore section 253, OMB shall issue a spending reduction
23 report to reduce an excess spending amount (if any re-
24 mains).

1 “(c) SPENDING REDUCTION ORDER.—A spending re-
 2 duction ordered pursuant to subsection (b) shall be imple-
 3 mented using the procedures set forth in section 256.

4 “(d) TOTAL SPENDING LIMITS.—

5 “(1) fiscal year 2010: 25 percent;

6 “(2) fiscal year 2011: 24 percent;

7 “(3) fiscal year 2012: 22 percent;

8 “(4) fiscal year 2013: 22 percent;

9 “(5) fiscal year 2014: 22 percent;

10 “(6) fiscal year 2015: 22 percent;

11 “(7) fiscal year 2016: 22 percent;

12 “(8) fiscal year 2017: 21 percent;

13 “(9) fiscal year 2018: 21 percent; and

14 “(10) fiscal year 2019 and each year thereafter:

15 20 percent;

16 of the projected GDP for the budget year.

17 “(e) TEMPORARY ADJUSTMENT AUTHORITY.—OMB

18 shall make adjustments to the total spending limits set

19 forth in subsection (d)(6) and the years thereafter equal

20 to the percentage level of—

21 “(1) the average per capita benefit for OASDI

22 and Medicare eligible retirees born during the period

23 of fiscal years 1946 through 1964 receiving benefits

24 under the OASDI and Medicare programs in fiscal

25 year 2014;

1 “(2) multiplied by the increase in the number
2 of such beneficiaries in the applicable fiscal year
3 from the number of such beneficiaries in fiscal year
4 2014;

5 “(3) adjusted for—

6 “(A) the blend of the Consumer Price
7 Index and the Medical Economic Index for
8 Medicare programs; and

9 “(B) the Consumer Price Index for OASDI
10 programs; and

11 “(4) as a percentage of the gross domestic
12 product of the applicable fiscal year.

13 OMB may modify the adjustments required by this sub-
14 section in order that the spending limits accommodate the
15 OASDI and Medicare benefits of individuals who were
16 born during the period of fiscal years 1946 through 1964.

17 “(f) ADDITIONAL TEMPORARY ADJUSTMENT AU-
18 THORITY.—OMB shall make further adjustments to the
19 total spending limits for any fiscal year set forth in sub-
20 section (d) to ensure that any individual who is at least
21 55 years of age on January 1 of the calendar year in which
22 this subsection is enacted shall receive full benefits under
23 the OASDI and Medicare programs.”.

1 (b) DEFINITIONS.—Section 3 of such Act (2 U.S.C.
 2 622) is further amended by adding at the end the fol-
 3 lowing new paragraph:

4 “(14) The term ‘total spending’ means all out-
 5 lays of the Federal Government including those from
 6 off-budget entities and budget authority and outlays
 7 flowing therefrom, as applicable, designated as emer-
 8 gencies.”.

9 (c) CONFORMING AMENDMENT.—The table of con-
 10 tents set forth in 250(c) of the Balanced Budget and
 11 Emergency Deficit Control Act of 1985 is amended by in-
 12 serting after the item relating to section 252A the fol-
 13 lowing new item:

“Sec. 252B. Total spending limits.”.

14 **SEC. 204. DEFICIT LIMITS.**

15 (a) Amend section 253 of the Balanced Budget and
 16 Emergency Deficit Control Act of 1985 to read as follows:

17 **“SEC. 253. DEFICIT LIMITS.**

18 “(a) DEFICIT PROJECTIONS.—

19 “(1) DEFICIT AMOUNTS.—For the current fis-
 20 cal year and each subsequent ten fiscal years:

21 “(A) OMB shall prepare a report com-
 22 paring projected total deficits and the Deficit
 23 Limits in subsection (d), and include such re-
 24 port in the budget as submitted by the Presi-

1 dent annually under section 1105(a) of title 31,
2 United States Code.

3 “(B) CBO shall prepare a report com-
4 paring projected deficits amounts and the Def-
5 icit Limits in subsection (d) and include such
6 report in the CBO annual baseline and reesti-
7 mate of the President’s budget.

8 “(2) INCLUSION IN SPENDING REDUCTION OR-
9 DERS.—Reports prepared pursuant to subsection (a)
10 shall be included in the spending reduction report
11 set forth in subsection (c).

12 “(b) DEFICIT REDUCTION REPORT.—Within 15 cal-
13 endar days after Congress adjourns to end a session and
14 on the same day as a spending reduction ordered under
15 sections 251, 252A, and 252B, but after any spending re-
16 duction required by section 251, OMB shall issue a spend-
17 ing reduction report to reduce an excess spending amount
18 (if any remains).

19 “(c) DEFICIT REDUCTION ORDER.—A spending re-
20 duction ordered pursuant to subsection (b) shall be imple-
21 mented using the procedures set forth in section 256.

22 “(d) DEFICIT LIMITS.—In this section, the term
23 ‘Deficit Limit’ means an amount that equals with respect
24 to—

25 “(1) fiscal year 2011: 6.9 percent;

1 “(2) fiscal year 2012: 4.8 percent;
 2 “(3) fiscal year 2013: 4.3 percent;
 3 “(4) fiscal year 2014: 4.2 percent;
 4 “(5) fiscal year 2015: 3.9 percent;
 5 “(6) fiscal year 2016: 3.6 percent;
 6 “(7) fiscal year 2017: 3.1 percent;
 7 “(8) fiscal year 2018: 2.6 percent; and
 8 “(9) fiscal year 2019: 2.0 percent.

9 of the projected GDP for the budget year.

10 “(e) TEMPORARY ADJUSTMENT AUTHORITY.—OMB
 11 shall make adjustments to the Deficit Limits set forth in
 12 subsection (d)(5) and the years thereafter consistent with
 13 any adjustments made pursuant to subsections (e) and (f)
 14 of section 252B.”.

15 (b) CONFORMING AMENDMENT.—The item relating
 16 to section 253 in the table of contents set forth in section
 17 250(c) of the Balanced Budget and Emergency Deficit
 18 Control Act of 1985 is amended to read as follows:

“Sec. 253. Deficit limits.”.

19 **Subtitle B—Reports and Orders**

20 **SEC. 211. REPORTS AND ORDERS.**

21 Section 254 of the Balanced Budget and Emergency
 22 Deficit Control Act of 1985 is amended to read as follows:

23 **“SEC. 254. REPORTS AND ORDERS.**

24 “(a) TIMETABLE.—

| | |
|---------------|--------------------------------|
| “Date: | Action to be completed: |
|---------------|--------------------------------|

| | |
|---|---|
| 5 days before the President's budget submission. | CBO sequestration preview report. |
| President's budget submission .. | OMB sequestration preview report. |
| August 10 | CBO sequestration update report. |
| August 20 | OMB sequestration update report. |
| 10 days after end of session | CBO sequestration final report. |
| 15 days after end of session | OMB sequestration final report; Presidential order |

1 “(b) SUBMISSION AND AVAILABILITY OF REPORTS.—

2 Each report required by this section shall be submitted
3 to the Budget Committees of the House of Representatives
4 and the Senate. On the following day a notice of the report
5 shall be printed in the Federal Register.

6 “(c) SEQUESTRATION PREVIEW REPORTS.—

7 “(1) REPORTING REQUIREMENT.—On the dates
8 specified in subsection (a), OMB and CBO shall
9 issue a preview report regarding discretionary, pay-
10 as-you-go, and deficit sequestration based on laws
11 enacted through those dates.

12 “(2) DISCRETIONARY SPENDING LIMIT SEQUES-
13 TRATION REPORT.—The preview reports shall set
14 forth estimates for the current year and each subse-
15 quent year through 2019 of the applicable discre-
16 tionary spending limits and an explanation of any
17 adjustments in such limits under section 251.

18 “(3) DIRECT SPENDING LIMIT SEQUESTRATION
19 REPORT.—The preview reports shall set forth, for
20 the current year and the budget year, estimates for
21 each of the following:

1 “(A) The amount of total direct spending,
2 if any, calculated under subsection 252A(b).

3 “(B) A list identifying each law enacted
4 and sequestration implemented after the date of
5 enactment of this section included in the cal-
6 culation of the amount of deficit increase or de-
7 crease and specifying the budgetary effect of
8 each such law.

9 “(C) The sequestration percentage or per-
10 centages necessary to eliminate a deficit in-
11 crease under section 252A(C).

12 “(4) TOTAL SPENDING LIMIT SEQUESTRATION
13 REPORT.—The preview reports shall set forth for the
14 budget year estimates for each of the following:

15 “(A) The total spending limit and the esti-
16 mated total spending amount calculated under
17 section 252A, and the excess deficit.

18 “(B) The amount of reductions required
19 under sections 251 and 252A, the excess total
20 spending amount remaining after those reduc-
21 tions have been made.

22 “(C) The sequestration percentage nec-
23 essary to achieve the required reduction in any
24 fiscal year for which a Deficit Limit is set forth
25 pursuant to this Act.

1 “(5) DEFICIT LIMIT SEQUESTRATION RE-
2 PORT.—The preview reports shall set forth for the
3 budget year estimates for each of the following:

4 “(A) The maximum deficit amount, the es-
5 timated deficit calculated under section 253(b),
6 the excess deficit;

7 “(B) The amount of reductions required
8 under sections 251, 252A and 252B, the excess
9 deficit remaining after those reductions have
10 been made; and

11 “(C) The sequestration percentage nec-
12 essary to achieve the required reduction in any
13 fiscal year for which a Deficit Limit is set forth
14 pursuant to this Act.

15 “(6) EXPLANATION OF DIFFERENCES.—The
16 OMB reports shall explain the differences between
17 OMB and CBO estimates for each item set forth in
18 this subsection.

19 “(d) SEQUESTRATION UPDATE REPORTS.—On the
20 dates specified in subsection (a), OMB and CBO shall
21 issue a sequestration update report, reflecting laws en-
22 acted through those dates, containing all of the informa-
23 tion required in the sequestration preview reports.

24 “(e) FINAL SEQUESTRATION REPORTS.—

1 “(1) REPORTING REQUIREMENT.—On the dates
2 specified in subsection (a), OMB and CBO shall
3 issue a final sequestration report, updated to reflect
4 laws enacted through those dates.

5 “(2) DISCRETIONARY SPENDING SEQUESTRA-
6 TION REPORTS.—The final reports shall set forth es-
7 timates for each of the following:

8 “(A) For the current year and each subse-
9 quent year the applicable discretionary spending
10 limits for each category and an explanation of
11 any adjustments in such limits under section
12 251.

13 “(B) For the current year and the budget
14 year the estimated new budget authority and
15 outlays for each category and the breach, if
16 any, in each category.

17 “(C) For each category for which a seques-
18 tration is required, the sequestration percent-
19 ages necessary to achieve the required reduc-
20 tion.

21 “(D) For the budget year, for each ac-
22 count to be sequestered, estimates of the base-
23 line level of budgetary resources subject to se-
24 questration and resulting outlays and the

1 amount of budgetary resources to be seques-
2 tered and resulting outlay reductions.

3 “(3) DIRECT SPENDING, TOTAL SPENDING, AND
4 DEFICIT LIMIT SEQUESTRATION REPORTS.—The
5 final reports shall contain all the information re-
6 quired in the direct spending, total spending, and
7 Deficit Limit sequestration preview reports. In addi-
8 tion, these reports shall contain, for the budget year,
9 for each account to be sequestered, estimates of the
10 baseline level of sequestrable budgetary resources
11 and resulting outlays and the amount of budgetary
12 resources to be sequestered and resulting outlay re-
13 ductions. The reports shall also contain estimates of
14 the effects on outlays of the sequestration in each
15 outyear for direct spending programs.

16 “(4) EXPLANATION OF DIFFERENCES.—The
17 OMB report shall explain any differences between
18 OMB and CBO estimates of the amount of any net
19 direct spending change calculated under section
20 252A, any excess deficit, any breach, and any re-
21 quired sequestration percentage. The OMB report
22 shall also explain differences in the amount of
23 sequesterable resources for any budget account to be
24 reduced if such difference is greater than
25 \$5,000,000.

1 “(5) PRESIDENTIAL ORDER.—On the date spec-
2 ified in subsection (a), if in its final sequestration
3 report OMB estimates that any sequestration is re-
4 quired, the President shall issue an order fully im-
5 plementing without change all sequestrations re-
6 quired by the OMB calculations set forth in that re-
7 port. This order shall be effective on issuance.

8 “(f) WITHIN-SESSION SEQUESTRATION REPORTS.—
9 If an appropriation for a fiscal year in progress is enacted
10 (after Congress adjourns to end the session for that budg-
11 et year and before July 1 of that fiscal year) that causes
12 a breach, 10 days later CBO shall issue a report con-
13 taining the information required in subsection (e)(2). Fif-
14 teen days after enactment, OMB shall issue a report con-
15 taining the information required in subsections (e)(2) and
16 (e)(4). On the same day as the OMB report, the President
17 shall issue an order fully implementing without change all
18 sequestrations required by the OMB calculations set forth
19 in that report. This order shall be effective on issuance.

20 “(g) GAO COMPLIANCE REPORT.—Upon request of
21 the Committee on the Budget of the House of Representa-
22 tives or the Senate, the Comptroller General shall submit
23 to the Congress and the President a report on—

24 “(1) the extent to which each order issued by
25 the President under this section complies with all of

1 the requirements contained in this part, either certi-
2 fying that the order fully and accurately complies
3 with such requirements or indicating the respects in
4 which it does not; and

5 “(2) the extent to which each report issued by
6 OMB or CBO under this section complies with all of
7 the requirements contained in this part, either certi-
8 fying that the report fully and accurately complies
9 with such requirements or indicating the respects in
10 which it does not.

11 “(h) LOW-GROWTH REPORT.—At any time, CBO
12 shall notify the Congress if—

13 “(1) during the period consisting of the quarter
14 during which such notification is given, the quarter
15 preceding such notification, and the 4 quarters fol-
16 lowing such notification, CBO or OMB has deter-
17 mined that real economic growth is projected or esti-
18 mated to be less than zero with respect to each of
19 any 2 consecutive quarters within such period; or

20 “(2) the most recent of the Department of
21 Commerce’s advance preliminary or final reports of
22 actual real economic growth indicate that the rate of
23 real economic growth for each of the most recently
24 reported quarter and the immediately preceding
25 quarter is less than one percent.

1 “(i) ECONOMIC AND TECHNICAL ASSUMPTIONS.—In
2 all reports required by this section, OMB shall use the
3 same economic and technical assumptions as used in the
4 most recent budget submitted by the President under sec-
5 tion 1105(a) of title 31, United States Code”.

6 **SEC. 212. SPENDING AND DEFICIT LIMITS ENFORCEMENT.**

7 (a) CONFORMING AMENDMENTS TO SECTION 312.—
8 Section 312 of the Congressional Budget Act of 1974 is
9 amended—

10 (1) by striking subsection (a) and inserting the
11 following:

12 “(a) BUDGET COMMITTEE DETERMINATIONS.—For
13 purposes of this title, the levels of new budget authority,
14 outlays, direct spending, deficits, revenues, and debt, or
15 the increases or decreases of such levels for purpose of
16 section 303, shall be determined on the basis of estimates
17 made by the Committee on the Budget of the House of
18 Representatives or the Senate, as applicable.”.

19 (2) by striking subsections (b) and (c) and re-
20 designating subsections (d), (e), and (f) as (h), (i),
21 and (j).

22 (b) ENFORCEMENT AMENDMENTS TO SECTION
23 312.—Section 312 of the Congressional Budget Act of
24 1974 is further amended by adding at the end the fol-
25 lowing new subsections after subsection (a):

1 “(b) DISCRETIONARY SPENDING LIMIT POINT OF
2 ORDER.—It shall not be in order in the House of Rep-
3 resentatives or the Senate to consider any bill, joint resolu-
4 tion, amendment, concurrent resolution, or conference re-
5 port that—

6 “(1) causes the discretionary spending limits
7 for the budget year to be breached;

8 “(2) increases the discretionary spending limits
9 for the budget year or any ensuing fiscal year; or

10 “(3) includes any provision that has the effect
11 of modifying the application of section 251 of the
12 Balanced Budget and Emergency Deficit Control
13 Act of 1985.

14 “(c) DIRECT SPENDING LIMIT POINT OF ORDER.—
15 It shall not be in order in the House of Representatives
16 or the Senate to consider any bill, joint resolution, amend-
17 ment, concurrent resolution, or conference report that—

18 “(1) causes the direct spending limits for the
19 budget year to be breached; or

20 “(2) increases aggregate level of direct spending
21 for any ensuing fiscal year.

22 “(d) TOTAL SPENDING LIMIT POINT OF ORDER.—
23 It shall not be in order in the House of Representatives
24 or the Senate to consider any bill, joint resolution, concur-
25 rent resolution, amendment, or conference report that—

1 “(1) causes the total spending limits for the
2 budget year, as a percentage of gross domestic prod-
3 uct, to be breached; or

4 “(2) increases outlays above the total spending
5 limits, as a percentage of gross domestic product, for
6 the budget year or any ensuing fiscal year after the
7 budget year.

8 “(e) DEFICIT LIMIT POINT OF ORDER.—It shall not
9 be in order in the House of Representatives or the Senate
10 to consider any bill, joint resolution, amendment, concur-
11 rent resolution, or conference report that—

12 “(1) causes the Deficit Limits for the budget
13 year, as a percentage of gross domestic product, to
14 be breached; or

15 “(2) increases the amount of deficit, as a per-
16 centage of gross domestic product, for the budget
17 year or any ensuing fiscal year.

18 “(f) SEQUESTRATION APPLICATION.—It shall not be
19 in order in the House of Representatives or the Senate
20 to consider any bill, joint resolution, amendment, concur-
21 rent resolution, or conference report that—

22 “(1) includes any provision that has the effect
23 of modifying the application of section 256 of the
24 Balanced Budget and Emergency Deficit Control

1 Act of 1985 to any program subject to sequestration
2 or exempt from sequestration; and

3 “(2) includes any provision that has the effect
4 of modifying the application of section 251, 252A,
5 252B or 253 to any program subject to sequestra-
6 tion or exempt from sequestration.

7 “(g) WAIVER OR SUSPENSION.—The provisions of
8 this section may be waived or suspended:

9 “(1) IN THE SENATE.—In the Senate only by
10 the affirmative vote of three-fifths of the Members,
11 duly chosen and sworn.

12 “(2) IN THE HOUSE OF REPRESENTATIVES.—In
13 the House of Representatives:

14 “(A) Only by a rule or order proposing
15 only to waive such provisions by an affirmative
16 vote of two-thirds of the Members, duly chosen
17 and sworn.

18 “(B) It shall not be in order to consider a
19 rule or order that waives the application of sub-
20 paragraph (A).

21 “(C) It shall not be in order for the Speak-
22 er to entertain a motion to suspend the applica-
23 tion of this section under clause 1 of rule XV
24 of the Rules of the House of Representatives.”.

1 **SEC. 213. SPENDING REDUCTION ORDERS.**

2 (a) IN GENERAL.—Section 256 of the Balanced
3 Budget and Emergency Deficit Control Act of 1985 is
4 amended to read as follows:

5 **“SEC. 256. SPENDING REDUCTION ORDER.**

6 “(a) APPLICATION.—A spending reduction order
7 issued pursuant to this part shall apply to eliminate
8 breaches of the limits set forth in sections 251 (discre-
9 tionary spending limits), 252A (direct spending limits),
10 253 (Deficit Limits) and 252B (total spending limits).

11 “(b) WAIVER OR SUSPENSION.—(1) In the Senate,
12 the provisions of this section may be waived or suspended
13 in the Senate only by the affirmative vote of two-thirds
14 of the Members, duly chosen and sworn.

15 “(2) In the House—

16 “(A) The provisions of this section may be
17 waived or suspended in the House of Representatives
18 only by a rule or order proposing only to waive such
19 provisions by an affirmative vote of two-thirds of the
20 Members, duly chosen and sworn.

21 “(B) It shall not be in order to consider a rule
22 or order that waives the application of paragraph
23 (1).

24 “(C) It shall not be in order for the Speaker to
25 entertain a motion to suspend the application of this

1 section under clause 1 of rule XV of the Rules of the
2 House of Representatives.

3 “(c) GENERAL RULES.—

4 “(1) CALCULATION OF SPENDING REDUCTION
5 PERCENTAGE.—OMB shall include in its final
6 spending sequestration report a requirement that
7 each nonexempt spending account shall be reduced
8 by an amount of budget authority calculated by mul-
9 tiplying the baseline level of budgetary resources in
10 that account at that time by the uniform percentage
11 necessary to reduce outlays sufficient to eliminate an
12 excess spending amount.

13 “(2) EXEMPTIONS.—The following shall be ex-
14 empt from reduction under any order issued under
15 this part:

16 “(A) Payments for net interest.

17 “(B) Benefits payable under the old-age,
18 survivors, and disability insurance program es-
19 tablished under title II of the Social Security
20 Act if—

21 “(i) OASDI Trust Funds are actuari-
22 ally solvent in the 75-year period utilized
23 in the most recent annual report of the
24 Board of Trustees provided pursuant to

1 section 201(C)(2) of the Social Security
2 Act; and

3 “(ii) OASDI Trust Funds have not
4 run a cash deficit in the fiscal year prior
5 to the transmittal of the most recent Se-
6 questration Preview Report.

7 “(C) Benefits provided to veterans defined
8 as direct spending payable by the Department
9 of Veterans affairs.

10 “(D) Obligated balances of budget author-
11 ity carried over from prior fiscal years.

12 “(E) Any obligations of the Federal Gov-
13 ernment required to be paid under the United
14 States Constitution or legally contractual obli-
15 gations.

16 “(F) Provisions of spending legislation des-
17 ignated by the President, and so designated in
18 statute, as an emergency, except an amount of
19 budget authority and the outlays flowing there-
20 from so designated that is above the emergency
21 reserve fund as calculated in section 317(b) of
22 the Congressional Budget Act of 1974 shall not
23 be exempt.

1 “(G) Any program whose growth in the
2 budget year is equal to or less than the con-
3 sumer price index.

4 “(H) Intergovernmental transfers.

5 “(3) ONE-PERCENT REDUCTION LIMITATION.—
6 No program shall be subject to a spending reduction
7 of more than one percent of its budgetary resources.

8 “(4) CALCULATION OF SPENDING REDUC-
9 TION.—The percentage required to produce a spend-
10 ing reduction, as ordered by a spending reduction
11 order, shall be calculated by OMB by adding all
12 budgetary resources of the Government, and reduc-
13 ing that amount by an amount sufficient to reduce
14 the total amount of outlays of the Government to
15 equal, or lower, a level of outlays than the amount
16 set forth in the guideline period.

17 “(5) APPLICATION.—Once issued, a spending
18 reduction shall be applied to nonexempt programs as
19 follows:

20 “(A) Budgetary resources subject to a
21 spending reduction to any discretionary account
22 shall be permanently canceled.

23 “(B) The same percentage spending reduc-
24 tion shall apply to all programs, projects, and
25 activities within a budget account (with pro-

1 grams, projects, and activities as delineated in
2 the appropriation Act or accompanying report
3 for the relevant fiscal year covering that ac-
4 count, or for accounts not included in appro-
5 priation Acts, as delineated in the most recently
6 submitted President’s budget).

7 “(C) Administrative regulations imple-
8 menting a spending reduction shall be made
9 within 120 days of the issue of a spending re-
10 duction order.

11 “(6) OASDI SPECIAL PROCEDURES.—If the
12 OASDI Trust Funds are subject to sequestration,
13 then payments from such Trust Funds shall be
14 treated the same as other programs, except—

15 “(A) reductions from such Trust Funds
16 shall not exceed one percent of the 75-year un-
17 funded liability set forth in the most current
18 Social Security Trustees Report;

19 “(B) reduction in individual benefits shall
20 be implemented by increasing the Normal Re-
21 tirement Age (NRA) by an amount certified by
22 the Social Security Office of the Chief Actuary;

23 “(C) the increase in the NRA shall not be
24 applied to any beneficiary born in a year 55
25 years or before—

1 “(i) the year of the enactment of the
2 Spending, Deficit, and Debt Control Act of
3 2009; or

4 “(ii) the year in which the final
5 spending sequestration report is issued;
6 and

7 “(D) no change in the NRA shall be made
8 before it is fully phased-in under the Social Se-
9 curity Act as in effect before the date of enact-
10 ment of the Spending, Deficit, and Debt Con-
11 trol Act of 2009.

12 “(d) DISCRETIONARY SPENDING SEQUESTRATION.—

13 “(1) ELIMINATING A BREACH.—Each non-
14 exempt account shall be reduced by an amount of
15 budget authority calculated by multiplying the base-
16 line level of budgetary resources subject to seques-
17 tration in that account at that time by the uniform
18 percentage necessary to eliminate a breach by—

19 “(A) first, calculating the uniform percent-
20 age necessary to eliminate a breach in new
21 budget authority, if any, and

22 “(B) second, if any breach in outlays re-
23 mains, increasing the uniform percentage to a
24 level sufficient to eliminate that breach.

1 “(2) EMERGENCY SPENDING ABOVE THE RE-
2 SERVE FUND.—An amount of budget authority and
3 the outlays flowing therefrom designated in statute
4 as an emergency that is above level in the emergency
5 reserve fund as calculated in Section 317(b) of the
6 Congressional Budget Act of 1974 shall count to-
7 ward the discretionary spending limits.

8 “(3) PART-YEAR APPROPRIATIONS.—If, on the
9 date specified in paragraph (1), there is in effect an
10 Act making or continuing appropriations for part of
11 a fiscal year for any budget account, then the dollar
12 sequestration calculated for that account under
13 paragraph (2) shall be subtracted from—(A) the
14 annualized amount otherwise available by law in that
15 account under that or a subsequent part-year appro-
16 priation; and (B) when a full-year appropriation for
17 that account is enacted, from the amount otherwise
18 provided by the full year appropriation.

19 “(4) LOOK-BACK.—If, after June 30, an appro-
20 priation for the fiscal year in progress is enacted
21 that causes a breach for that year, the discretionary
22 spending limits for the next fiscal year shall be re-
23 duced by the amount of the breach.

24 “(5) WITHIN-SESSION SEQUESTRATION.—If an
25 appropriation for a fiscal year in progress is enacted

1 (after Congress adjourns to end the session for that
2 budget year and before July 1 of that fiscal year)
3 that causes a breach for that year (after taking into
4 account any prior sequestration of amounts), 15
5 days later there shall be a sequestration to eliminate
6 that breach following the procedures set forth in
7 paragraphs (2) through (3).

8 “(6) ESTIMATES.—

9 “(A) CBO ESTIMATES.—As soon as prac-
10 ticable after Congress completes action on any
11 discretionary appropriation, CBO, after con-
12 sultation with the Committees on the Budget of
13 the House of Representatives and the Senate,
14 shall provide OMB with an estimate of the
15 amount of discretionary new budget authority
16 and outlays for the current year (if any) and
17 the budget year provided by that legislation.

18 “(B) OMB ESTIMATES.—Not later than
19 seven calendar days (excluding Saturdays, Sun-
20 days, and legal holidays) after the date of en-
21 actment of any discretionary appropriation,
22 OMB shall transmit a report to the House of
23 Representatives and to the Senate containing
24 the CBO estimate of that legislation, an OMB
25 estimate of the amount of discretionary new

1 budget authority and outlays for the current
2 year (if any) and the budget year provided by
3 that legislation, and an explanation of any dif-
4 ference between the two estimates.

5 “(C) EXPLANATION OF DIFFERENCES BE-
6 TWEEN OMB AND OMB ESTIMATES.—If OMB
7 determines that there is a significant difference
8 between OMB and CBO reports prepared pur-
9 suant to subparagraph (A) and (B), OMB shall
10 consult with the Committees on the Budget of
11 the House of Representatives and the Senate
12 regarding that difference and that consultation
13 shall include, to extent practicable, written com-
14 munication to those committees that affords
15 such committees the opportunity to comment
16 before the issuance of the report.

17 “(D) ASSUMPTIONS AND GUIDELINES.—
18 OMB estimates under this paragraph shall be
19 made using current economic and technical as-
20 sumptions. OMB shall use the OMB estimates
21 transmitted to the Congress under this para-
22 graph. OMB and CBO shall prepare estimates
23 under this paragraph in conformance with
24 scorekeeping guidelines determined after con-
25 sultation among the House of Representatives

1 and Senate Committees on the Budget, CBO,
2 and OMB.

3 “(E) ANNUAL APPROPRIATIONS.—For pur-
4 poses of this paragraph, amounts provided by
5 annual appropriations shall include any new
6 budget authority and outlays for the current
7 year (if any) and the budget year in accounts
8 for which funding is provided in that legislation
9 that result from previously enacted legislation.

10 “(7) DISCRETIONARY SEQUESTRATION LIMITA-
11 TION.—If appropriations for a fiscal year do not re-
12 quire a sequester pursuant to the discretionary
13 spending limits set forth in this Act, discretionary
14 accounts shall not be subject to sequestration under
15 sections 252A, 252B or 253.”.

16 (b) LOW-GROWTH AMENDMENT.—Amend section
17 258(b) of the Balanced Budget and Emergency Deficit
18 Control Act of 1985 to read as follows:

19 “(b) SUSPENSION OF SEQUESTRATION PROCE-
20 DURES.—Upon the enactment of a declaration of war or
21 a joint resolution described in subsection (a)—

22 “(1) the subsequent issuance of any sequestra-
23 tion report to enforce the spending limits in section
24 252B or the Deficit Limits in section 253 order is
25 precluded;

1 “(2) sections 302(f), 310(d), 311(a), of the
2 Congressional Budget Act of 1974 are suspended;
3 and

4 “(3) section 1103 of title 31, United States
5 Code, is suspended.”.

6 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

7 (1) REPEALS.—section 255 of the Balanced Budget and
8 Emergency Deficit Control Act of 1985 is repealed.

9 (2) CONFORMING AMENDMENT.—the item relating to
10 section 256 in the table of contents set forth in section
11 250(a) of the Balanced Budget and Emergency Deficit
12 Control Act of 1985 is amended to read as follows:

“Sec. 256. Spending reduction order.”.

13 **TITLE III—LONG-TERM** 14 **BUDGETING**

15 **SEC. 300. SHORT TITLE; PURPOSES.**

16 This title may be cited as “Budget Reform and Long-
17 Term Sustainability Act of 2009”

18 **SEC. 301. CBO AND OMB PROJECTIONS.**

19 (a) CONGRESSIONAL BUDGET OFFICE.—At the end
20 of section 308 of the Congressional Budget Act of 1974,
21 add the following:

22 “(d) LONG-TERM PROJECTIONS.—Not later than
23 February 15 of each calendar year after the date of enact-
24 ment of this subsection, the Director of the Congressional
25 Budget Office shall issue a report projecting total spend-

1 ing, revenue, deficits, and debt for 75 years beginning with
 2 such fiscal year as a percentage of gross domestic product
 3 annually based on current law levels as modified to main-
 4 tain current policy.

5 “(e) CBO SPENDING REVIEW REPORT ISSUANCE.—
 6 As a component of the report required by subsection (d),
 7 the Congressional Budget Office shall issue a Spending
 8 Review Report and transmit such report to the Commit-
 9 tees on the Budget of the House of Representatives and
 10 the Senate.

11 “(f) CONTENT OF SPENDING REVIEW REPORT.—The
 12 content of the Spending Review Report referred to in sub-
 13 section (e) shall include analyses of the following:

14 “(1) OASDI.—The solvency of the Old-Age,
 15 Survivors, and Disability Insurance Trust Fund;

16 “(2) MEDICARE.—The long-range sustainability
 17 of the spending levels of Medicare;

18 “(3) MEDICAID.—The long-range sustainability
 19 of the spending levels of Medicaid; and

20 “(4) OTHER DIRECT SPENDING.—The long-
 21 range sustainability of spending levels of other direct
 22 spending.

23 “(g) DEFINITIONS.—For purposes of the develop-
 24 ment of the Spending Review Report referred to in sub-
 25 section (b):

1 “(1) SOLVENCY OF THE OASDI.—The term ‘sol-
2 vency’ as used in this section means the solvency of
3 the Old-Age Security and Disability Insurance Trust
4 Funds over a 75-year period beginning in the year
5 the Spending Review Report is reported.

6 “(2) SUSTAINABILITY.—The term ‘sustain-
7 ability’ means the following:

8 “(A) MEDICARE.—The Medicare program
9 is sustainable if it is projected to grow, begin-
10 ning in the tenth year following the date of the
11 enactment of this Act from the fixed percentage
12 of Gross Domestic Product in the year prior to
13 the date of enactment of this subsection, ad-
14 justed by the adjustment formula as set forth
15 in section 252B(e) of the Balanced Budget and
16 Emergency Deficit Control Act of 1985;

17 “(B) MEDICAID.—The Medicaid program
18 is sustainable if its outlays, excluding those des-
19 ignated as emergencies, are projected to grow
20 from the fixed percentage of Gross Domestic
21 Product in the year prior to the date of the en-
22 actment of this Act, adjusted by a rate no high-
23 er than a blend of the Consumer Price Index
24 and the Medical Economic Index, as adjusted
25 after fiscal year 2018 using the same calcula-

tion, excluding benefits provided from the OASDI Trust funds, as that set forth in section 252B(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 to reflect the increase in the the number of Medicare eligible retirees receiving benefiits in the program relative to fiscal year 2018.

“(C) OTHER DIRECT SPENDING.—Other direct spending is direct spending other than OASDI, the Medicare and Medicaid program and is sustainable if it grows from a fixed percentage of gross domestic product in fiscal year 2008.”.

(b) OFFICE OF MANAGEMENT AND BUDGET.—Section 1105(a) of title 31, United States Code, (as amended by section 142(e)) is further amended by adding at the end the following:

“(38) long-term projections of total spending over 75 years as a percentage of gross domestic product annually and the impact of proposed policies over that period.”.

SEC. 302. GAO AND OMB STATEMENTS OF THE FEDERAL GOVERNMENT’S FINANCIAL CONDITION.

(a) GOVERNMENT ACCOUNTABILITY OFFICE.—On or before April 15 of each fiscal year, the Government Ac-

1 countability Office shall submit a report on the federal
2 government's financial condition, including the long-term
3 unfunded obligations.

4 (b) DEFINITION OF LONG-TERM UNFUNDED OBLI-
5 GATIONS.—Section 3 of the Congressional Budget Act of
6 1974 is further amended by adding at the end the fol-
7 lowing new paragraph, and redesignate the paragraph ac-
8 cordingly:

9 “(11) UNFUNDED OBLIGATIONS.—The term
10 ‘Unfunded Obligations’ means the dollar sum of the
11 Total Net Position as displayed in the United States
12 Government Balance Sheets contained within the
13 most recently published Financial Report of the
14 United States Government; plus the 75-year actu-
15 arial balances, using the intermediate open-group as-
16 sumption, of Medicare's Hospital Insurance, Supple-
17 mentary Medical Insurance, and Prescription Drug
18 programs contained within the most recently pub-
19 lished Annual Report of the Boards of Trustees of
20 the Federal Hospital Insurance and Federal Supple-
21 mentary Medical Insurance Trust Funds; plus the
22 75-year actuarial balance, using the intermediate
23 open group assumption, of the Old-Age Survivors
24 and Disability Insurance program contained within
25 the most recently published Annual Report of the

1 Board of Trustees of the Federal Old-Age and Sur-
 2 vivors Insurance and Federal Disability Insurance
 3 Trust Funds.”.

4 (c) OFFICE OF MANAGEMENT AND BUDGET.—Sec-
 5 tion 1105(a) of title 31, United States Code, (as amended
 6 by section 301(b)) is further amended by adding at the
 7 end the following:

8 “(39) a report on the Federal Government’s fi-
 9 nancial condition, the including the long-term un-
 10 funded obligations.”.

11 **SEC. 303. FIVE-YEAR FISCAL SUSTAINABILITY REVIEW.**

12 Title III of the Congressional Budget Act of 1974
 13 (as amended by section 126(a)) is further amended by
 14 adding at the end the following new section:

15 “FIVE-YEAR FISCAL SUSTAINABILITY REVIEW

16 “SEC. 319. (a) CONGRESSIONAL SPENDING REVIEW
 17 REPORT.—Not later than 15 calendar days after the date
 18 of the transmittal of the report referred to in subsection
 19 308(e), the Committees on the Budget of the House of
 20 Representatives and the Senate shall issue, and have
 21 printed in the Congressional Record, an assessment of
 22 such report.

23 “(b) COMMITTEE RECOMMENDATIONS.—Not later
 24 than 15 calendar days after the date of the report of the
 25 review referred to in subsection (c), the committees of the
 26 House of Representatives and the Senate shall consider

1 and vote to submit to the Committees on the Budget of
2 the House of Representatives and Senate, as applicable,
3 recommendations, if any, such committees deem appro-
4 priate in response to the Spending Review Report issued
5 pursuant to subsection (c).

6 “(c) EXPEDITED CONSIDERATION OF SPENDING RE-
7 VIEW LEGISLATION.—

8 “(1) CONSIDERATION IN THE HOUSE OF REP-
9 RESENTATIVES.—

10 “(A) INTRODUCTION OF SPENDING RE-
11 VIEW LEGISLATION.—

12 “(i) If the report referred to in section
13 308 indicates that the OASDI Trust
14 Funds are not solvent, or that Medicare,
15 Medicaid or other direct spending pro-
16 grams are not sustainable, or total spend-
17 ing exceeds the limits set forth in section
18 252B for any year within the 75-year pe-
19 riod referred to in such report, then not
20 later than 30 calendar days after the
21 transmittal of the report referred to in
22 subsection (a), if any, the majority leader
23 and minority leader of the House of Rep-
24 resentatives shall each introduce legislation
25 implementing to the extent practicable the

1 recommendations referred to in subsection
2 (d), or if necessary additional spending re-
3 duction sufficient to achieve the spending
4 levels referred to in subsection (b).

5 “(ii) If Spending Review Legislation
6 is not introduced pursuant to this subpara-
7 graph by the majority leader or minority
8 leader, then not later than 45 calendar
9 days after the transmittal of the report re-
10 ferred to in subsection (a), the chairman or
11 ranking member of the Committee on the
12 Budget shall introduce Spending Review
13 Legislation sufficient to achieve the same
14 spending levels.

15 “(iii) Spending review legislation shall
16 be referred solely to the House of Rep-
17 resentatives Budget Committee, which
18 shall have sole jurisdiction of such legisla-
19 tion.

20 “(iv) Spending review legislation in-
21 troduced pursuant to this section shall
22 cause total spending to be reduced by an
23 amount equal or greater than the amount
24 of the breach of the limits set forth in sec-
25 tion 252B, and shall cause the OASDI

1 Trust Funds to achieve solvency, and shall
2 cause Medicare, Medicaid, and other direct
3 spending programs to achieve sustain-
4 ability.

5 “(B) REFERRAL AND REPORTING.—The
6 Committee on the Budget of the House of Rep-
7 resentatives shall report Spending Review Leg-
8 islation to the House of Representatives not
9 later than the seventh legislative day after the
10 date of introduction of the legislation referred
11 to in subparagraph (A). If such committee fails
12 to report the Spending Review Legislation with-
13 in that period or the House of Representatives
14 has adopted a concurrent resolution providing
15 for adjournment sine die at the end of a Con-
16 gress, such committee shall be automatically
17 discharged from further consideration of the
18 Spending Review Legislation and it shall be
19 placed on the appropriate calendar.

20 “(C) PROCEEDING TO CONSIDERATION.—
21 After Spending Review Legislation is reported
22 by or discharged from the Committee on the
23 Budget or the House of Representatives has
24 adopted a concurrent resolution providing for
25 adjournment sine die at the end of a Congress,

1 it shall be in order to move to proceed to con-
2 sider the Spending Review Legislation in the
3 House of Representatives. Such a motion shall
4 be in order in the legislative schedule within
5 two legislative days after the day on which the
6 proponent announces his intention to offer the
7 motion. Such a motion shall not be in order
8 after the House of Representatives has disposed
9 of a motion to proceed with respect to that spe-
10 cial message. The previous question shall be
11 considered as ordered on the motion to its
12 adoption without intervening motion. A motion
13 to reconsider the vote by which the motion is
14 disposed of shall not be in order.

15 “(D) CONSIDERATION.—The Spending Re-
16 view Legislation shall be considered as read. All
17 points of order against Spending Review Legis-
18 lation and against its consideration are waived.
19 The previous question shall be considered as or-
20 dered on an Spending Review Legislation to its
21 passage without intervening motion except five
22 hours of debate equally divided and controlled
23 by the proponent and an opponent and one mo-
24 tion to limit debate on the Spending Review
25 Legislation. A motion to reconsider the vote on

1 passage of the Spending Review Legislation
2 shall not be in order.

3 “(E) SENATE SPENDING REVIEW LEGISLA-
4 TION.—Spending Review Legislation received
5 from the Senate shall not be referred to com-
6 mittee.

7 “(2) CONSIDERATION IN THE SENATE.—

8 “(A) MOTION TO PROCEED TO CONSIDER-
9 ATION.—A motion to proceed to the consider-
10 ation of Spending Review Legislation under this
11 subsection in the Senate shall not be debatable.
12 It shall not be in order to move to reconsider
13 the vote by which the motion to proceed is
14 agreed to or disagreed to.

15 “(B) LIMITS ON DEBATE.—Debate in the
16 Senate on Spending Review Legislation under
17 this subsection, and all debatable motions and
18 appeals in connection therewith (including de-
19 bate pursuant to subparagraph (D)), shall not
20 exceed 10 hours, equally divided and controlled
21 in the usual form.

22 “(C) APPEALS.—Debate in the Senate on
23 any debatable motion or appeal in connection
24 with Spending Review Legislation under this
25 subsection shall be limited to not more than 1

1 hour, to be equally divided and controlled in the
2 usual form.

3 “(D) MOTION TO LIMIT DEBATE.—A mo-
4 tion in the Senate to further limit debate on
5 Spending Review Legislation under this sub-
6 section is not debatable.

7 “(E) MOTION TO RECOMMIT.—A motion to
8 recommit Spending Review Legislation under
9 this subsection is not in order.

10 “(F) CONSIDERATION OF THE HOUSE OF
11 REPRESENTATIVES SPENDING REVIEW LEGISLA-
12 TION.—

13 “(i) IN GENERAL.—If the Senate has
14 received the House of Representatives com-
15 panion resolution to the Spending Review
16 Legislation introduced in the Senate prior
17 to the vote required under paragraph
18 (1)(C), then the Senate may consider, and
19 the vote under paragraph (1)(C) may
20 occur on, the House of Representatives
21 companion resolution.

22 “(ii) PROCEDURE AFTER VOTE ON
23 SENATE SPENDING REVIEW LEGISLA-
24 TION.—If the Senate votes, pursuant to
25 paragraph (1)(C), on the Spending Review

1 Legislation introduced in the Senate, then
2 immediately following that vote, or upon
3 receipt of the House of Representatives
4 companion resolution, the House of Rep-
5 resentatives Spending Review Legislation
6 shall be deemed to be considered, read the
7 third time, and the vote on passage of the
8 Senate resolution shall be considered to be
9 the vote on the Spending Review Legisla-
10 tion received from the House of Represent-
11 atives.

12 “(3) JURISDICTION.—The Committees on the
13 Budget of the House of Representatives and Senate
14 shall have exclusive jurisdiction over any Spending
15 Review Legislation and all the provisions therein for
16 all purposes of the rules of either House.”.

17 **SEC. 304. LONG-TERM RECONCILIATION.**

18 (a) LONG-TERM RECONCILIATION.—Section 310 of
19 the Congressional Budget Act of 1974 is amended as fol-
20 lows:

21 “(h) LONG-TERM RECONCILIATION DIRECTIVES IN A
22 JOINT RESOLUTION ON THE BUDGET.—

23 “(1) LONG-TERM RECONCILIATION DIREC-
24 TIVES.—In addition to a reconciliation measure as
25 set forth in subsection (a), a joint resolution on the

1 budget for any fiscal year, to the extent necessary to
2 effectuate the spending levels as set forth for such
3 categories in section 301(a) (providing for long-term
4 spending levels as a percentage of gross domestic
5 product) of such resolution, shall—

6 “(A) specify the total amount by which
7 Medicare, Medicaid, the OASDI Trust Funds,
8 and other direct spending outlays are to be re-
9 duced within the jurisdiction of a committee as
10 a percentage of gross domestic product of such
11 fiscal year; and

12 “(B) direct that committee to determine
13 and recommend changes to accomplish a reduc-
14 tion of such total amount for such categories as
15 a percentage of gross domestic product.

16 “(2) LIMITATION ON AMENDMENTS TO LONG-
17 TERM RECONCILIATION LEGISLATION.—

18 “(A) It shall not be in order in the House
19 of Representatives to consider any amendment
20 to a reconciliation bill or reconciliation resolu-
21 tion if such amendment decreases outlay reduc-
22 tions below the level of such outlay reductions
23 provided (for the fiscal years covered) in the
24 reconciliation instructions which relate to such
25 long-term reconciliation bill.

1 “(B) It shall not be in order in the Senate
2 to consider any amendment to a reconciliation
3 bill or reconciliation resolution if such amend-
4 ment decreases outlay reductions below the level
5 of such outlay reductions provided (for the fis-
6 cal years covered) in the reconciliation instruc-
7 tions which relate to such long-term reconcili-
8 ation bill.

9 “(C) Subparagraphs (A) and (B) shall not
10 apply if a declaration of war by the Congress is
11 in effect.

12 “(D) For purposes of this section, the lev-
13 els of outlays as a percentage of a gross domes-
14 tic product for a fiscal year shall be determined
15 on the basis of estimates made by the Com-
16 mittee on the Budget of the House of Rep-
17 resentatives or of the Senate.

18 “(E) The Committee on Rules of the
19 House of Representatives may make in order
20 amendments to achieve outlay reductions speci-
21 fied by reconciliation directives contained in a
22 joint resolution on the budget if a committee or
23 committees of the House of Representatives fail
24 to submit recommended reductions in outlays as
25 a percentage of gross domestic product to its

1 Committee on the Budget pursuant to its in-
2 struction.

3 “(F) In the Senate, a motion to strike a
4 provision shall always be in order.

5 “(3) SUBJECT MATTER.—Subject matter in-
6 cluded in a long-term reconciliation bill may be any
7 of the following:

8 “(A) Any part of the Medicare program.

9 “(B) Medicaid.

10 “(C) The Old-Age, Survivors, and Dis-
11 ability Insurance Trust Fund.

12 “(D) Other direct spending.

13 “(4) APPLICATION.—Subsections (c), (d), and
14 (g) shall not apply to long-term reconciliation meas-
15 ures reported under this subsection.”.

16 (b) CONFORMING AMENDMENT.—In section 310(b)
17 of the Congressional Budget Act of 1974, strike “sub-
18 section (a)” and insert “subsections (a) and (h)”.

19 **SEC. 305. LONG-TERM SPENDING INCREASE POINT OF**
20 **ORDER.**

21 (a) IN GENERAL.—Title III of the Congressional
22 Budget Act of 1974 (as amended by section 303) is fur-
23 ther amended by adding at the end the following new sec-
24 tion:

1 “LONG-TERM SPENDING INCREASE POINT OF ORDER

2 “SEC. 320. (a) CONGRESSIONAL BUDGET OFFICE
3 ANALYSIS OF PROPOSALS.—The Director of the Congres-
4 sional Budget Office shall, to the extent practicable, pre-
5 pare for each bill and joint resolution reported from com-
6 mittee (except measures within the jurisdiction of the
7 Committee on Appropriations), and amendments thereto
8 and conference reports thereon, an estimate of whether
9 the measure causes, relative to current law, a net increase
10 in direct spending in excess of \$5,000,000,000 in any of
11 the four 10-year periods beginning in fiscal year 2019
12 through fiscal year 2058.

13 “(b) IN THE SENATE.—

14 “(1) POINT OF ORDER.—It shall not be in
15 order in the Senate to consider any bill, joint resolu-
16 tion, amendment, motion, or conference report that
17 causes a net increase in deficits in excess of
18 \$5,000,000,000 in any of the four 10-year periods
19 beginning in 2019 through 2058.

20 “(2) SUPERMAJORITY WAIVER AND APPEAL.—

21 “(A) This section may be waived or sus-
22 pended only by the affirmative vote of three-
23 fifths of the Members, duly chosen and sworn.

24 “(B) An affirmative vote of three-fifths of
25 the Members, duly chosen and sworn, shall be

1 required to sustain an appeal of the ruling of
2 the Chair on a point of order raised under this
3 section.

4 “(c) IN THE HOUSE OF REPRESENTATIVES.—

5 “(1) POINT OF ORDER.—It shall not be in
6 order in the House of Representatives to consider
7 any bill, joint resolution, amendment, motion, or
8 conference report that causes a net increase in defi-
9 cits in excess of \$5,000,000,000 in any of the four
10 10-year periods beginning in 2019 through 2058.

11 “(2) SUPERMAJORITY WAIVER AND APPEAL.—

12 “(A) This section may be waived or sus-
13 pended only by the affirmative vote of three-
14 fifths of the Members, duly chosen and sworn.

15 “(B) An affirmative vote of two-thirds of
16 the Members, duly chosen and sworn, shall be
17 required to sustain an appeal of the ruling of
18 the Chair on a point of order raised under this
19 section.

20 “(d) DETERMINATIONS OF BUDGET LEVELS.—For
21 purposes of this section, the levels of net deficit increases
22 shall be determined on the basis of estimates provided by
23 the chairmen of the Senate and House Committees on the
24 Budget, as applicable.”.

1 (b) CONFORMING AMENDMENT.—The table of con-
 2 tents set forth in section 1(b) of the Congressional Budget
 3 and Impoundment Control Act of 1974 is amended by in-
 4 serting after the item relating to section 319 the following
 5 new item:

“Sec. 320. Long-term spending increase point of order.”.

6 **TITLE IV—SPENDING REFORM**
 7 **Subtitle A—Federal Program**
 8 **Sunset**

9 **SEC. 400. SHORT TITLE.**

10 This subtitle may be cited as the “Federal Program
 11 Sunset Act of 2009”.

12 **SEC. 401. REVIEW AND ABOLISHMENT OF FEDERAL AGEN-**
 13 **CIES.**

14 (a) SCHEDULE FOR REVIEW.—Not later than one
 15 year after the date of the enactment of this Act, the Fed-
 16 eral Agency Sunset Commission established under section
 17 402 (in this subtitle referred to as the “Commission”)
 18 shall submit to Congress a schedule for review by the
 19 Commission, at least once every 12 years (or less, if deter-
 20 mined appropriate by Congress), of the abolishment or re-
 21 organization of each agency.

22 (b) REVIEW OF AGENCIES PERFORMING RELATED
 23 FUNCTIONS.—In determining the schedule for review of
 24 agencies under subsection (a), the Commission shall pro-
 25 vide that agencies that perform similar or related func-

1 tions be reviewed concurrently to promote efficiency and
2 consolidation.

3 (c) ABOLISHMENT OF AGENCIES.—

4 (1) IN GENERAL.—Each agency shall—

5 (A) be reviewed according to the schedule
6 created pursuant to this section; and

7 (B) be abolished not later than one year
8 after the date that the Commission completes
9 its review of the agency pursuant to such sched-
10 ule, unless the agency is reauthorized by the
11 Congress.

12 (2) EXTENSION.—The deadline for abolishing
13 an agency may be extended for an additional two
14 years after the date described in paragraph (1)(B)
15 if the Congress enacts legislation extending such
16 deadline by a vote of a super majority of the House
17 of Representatives and the Senate.

18 **SEC. 402. ESTABLISHMENT OF COMMISSION.**

19 (a) ESTABLISHMENT.—There is established a com-
20 mission to be known as the “Federal Agency Sunset Com-
21 mission”.

22 (b) COMPOSITION.—The Commission shall be com-
23 posed of 12 members (in this subtitle referred to as the
24 “members”) who shall be appointed as follows:

1 (1) Six members shall be appointed by the
2 Speaker of the House of Representatives, with mi-
3 nority members appointed with the consent of the
4 minority leader of the House of Representatives.

5 (2) Six members shall be appointed by the ma-
6 jority leader of the Senate, with minority members
7 appointed with the consent of the minority leader of
8 the Senate.

9 (c) QUALIFICATIONS OF MEMBERS.—

10 (1) IN GENERAL.—(A) Of the members ap-
11 pointed under subsection (b)(1), four shall be mem-
12 bers of the House of Representatives (not more than
13 two of whom may be of the same political party),
14 and two shall be an individual described in subpara-
15 graph (C).

16 (B) Of the members appointed under subsection
17 (b)(2), four shall be members of the Senate (not
18 more than two of whom may be of the same political
19 party) and two shall be an individual described in
20 subparagraph (C).

21 (C) An individual under this subparagraph is
22 an individual—

23 (i) who is not a member of Congress; and
24 (ii) with expertise in the operation and ad-
25 ministration of Government programs.

1 (2) CONTINUATION OF MEMBERSHIP.—If a
2 member was appointed to the Commission as a
3 Member of Congress and the member ceases to be
4 a Member of Congress, that member shall cease to
5 be a member of the Commission. The validity of any
6 action of the Commission shall not be affected as a
7 result of a member becoming ineligible to serve as
8 a member for the reasons described in this para-
9 graph.

10 (d) INITIAL APPOINTMENTS.—All initial appoint-
11 ments to the Commission shall be made not later than 90
12 days after the date of the enactment of this Act.

13 (e) CHAIRMAN; VICE-CHAIRMAN.—

14 (1) INITIAL CHAIRMAN.—An individual shall be
15 designated by the Speaker of the House of Rep-
16 resentatives from among the members initially ap-
17 pointed under subsection (b)(1) to serve as chairman
18 of the Commission for a period of 2 years.

19 (2) INITIAL VICE-CHAIRMAN.—An individual
20 shall be designated by the majority leader of the
21 Senate from among the individuals initially ap-
22 pointed under subsection (b)(2) to serve as vice-
23 chairman of the Commission for a period of two
24 years.

1 (3) ALTERNATE APPOINTMENTS OF CHAIRMEN
2 AND VICE-CHAIRMEN.—Following the termination of
3 the two-year period described in paragraphs (1) and
4 (2), the Speaker and the majority leader shall alter-
5 nate every two years in appointing the chairman and
6 vice-chairman of the Commission.

7 (f) TERMS OF MEMBERS.—

8 (1) MEMBERS OF CONGRESS.—Each member
9 appointed to the Commission who is a member of
10 Congress shall serve for a term of six years, except
11 that, of the members first appointed under para-
12 graphs (1) and (2) of subsection (b), 2 members
13 shall be appointed to serve a term of three years
14 under each such paragraph.

15 (2) OTHER MEMBERS.—Each member of the
16 Commission who is not a member of Congress shall
17 serve for a term of three years.

18 (3) TERM LIMITS.—(A) A member of the Com-
19 mission who is a member of Congress and who
20 serves more than three years of a term may not be
21 appointed to another term as a member.

22 (B) A member of the Commission who is not a
23 member of Congress and who serves as a member of
24 the Commission for more than 56 months may not
25 be appointed to another term as a member.

1 (g) POWERS OF COMMISSION.—

2 (1) HEARINGS AND SESSIONS.—The Commis-
3 sion may, for the purpose of carrying out this sub-
4 title, hold such hearings, sit and act at such times
5 and places, take such testimony, and receive such
6 evidence as the Commission considers appropriate.
7 The Commission may administer oaths to witnesses
8 appearing before it.

9 (2) OBTAINING INFORMATION.—The Commis-
10 sion may secure directly from any department or
11 agency of the United States information necessary
12 to enable it to carry out its duties under this sub-
13 title. Upon request of the chairman, the head of that
14 department or agency shall furnish that information
15 to the Commission in a full and timely manner.

16 (3) SUBPOENA POWER.—(A) The Commission
17 may issue a subpoena to require the attendance and
18 testimony of witnesses and the production of evi-
19 dence relating to any matter under investigation by
20 the Commission.

21 (B) If a person refuses to obey an order or sub-
22 poena of the Commission that is issued in connection
23 with a Commission proceeding, the Commission may
24 apply to the United States district court in the judi-
25 cial district in which the proceeding is held for an

1 order requiring the person to comply with the sub-
2 poena or order.

3 (4) IMMUNITY.—The Commission is an agency
4 of the United States for purposes of part V of title
5 18, United States Code (relating to immunity of wit-
6 nesses).

7 (5) CONTRACT AUTHORITY.—The Commission
8 may contract with and compensate government and
9 private agencies or persons for services without re-
10 gard to section 3709 of the Revised Statutes (41
11 U.S.C. 5).

12 (h) COMMISSION PROCEDURES.—

13 (1) MEETINGS.—The Commission shall meet at
14 the call of the chairman.

15 (2) QUORUM.—Seven members of the Commis-
16 sion shall constitute a quorum but a lesser number
17 may hold hearings.

18 (i) PERSONNEL MATTERS.—

19 (1) COMPENSATION.—Members shall not be
20 paid by reason of their service as members.

21 (2) TRAVEL EXPENSES.—Each member shall
22 receive travel expenses, including per diem in lieu of
23 subsistence, in accordance with sections 5702 and
24 5703 of title 5, United States Code.

1 (3) DIRECTOR.—The Commission shall have a
2 Director who shall be appointed by the chairman.
3 The Director shall be paid at a rate not to exceed
4 the maximum rate of basic pay payable for GS–15
5 of the General Schedule.

6 (4) STAFF.—The Director may appoint and fix
7 the pay of additional personnel as the director con-
8 siders appropriate.

9 (5) APPLICABILITY OF CERTAIN CIVIL SERVICE
10 LAWS.—The director and staff of the Commission
11 shall be appointed subject to the provisions of title
12 5, United States Code, governing appointments in
13 the competitive service, and shall be paid in accord-
14 ance with the provisions of chapter 51 and sub-
15 chapter III of chapter 53 of that title relating to
16 classification and General Schedule pay rates.

17 (j) OTHER ADMINISTRATIVE MATTERS.—

18 (1) POSTAL AND PRINTING SERVICES.—The
19 Commission may use the United States mails and
20 obtain printing and binding services in the same
21 manner and under the same conditions as other de-
22 partments and agencies of the United States.

23 (2) ADMINISTRATIVE SUPPORT SERVICES.—
24 Upon the request of the Commission, the Adminis-
25 trator of General Services shall provide to the Com-

1 mission, on a reimbursable basis, the administrative
2 support services necessary for the Commission to
3 carry out its duties under this subtitle.

4 (3) EXPERTS AND CONSULTANTS.—The Com-
5 mission may procure temporary and intermittent
6 services under section 3109(b) of title 5, United
7 States Code.

8 (k) SUNSET OF COMMISSION.—The Commission shall
9 terminate on December 31, 2033, unless reauthorized by
10 Congress.

11 **SEC. 403. REVIEW OF EFFICIENCY AND NEED FOR FEDERAL**
12 **AGENCIES.**

13 (a) IN GENERAL.—The Commission shall review the
14 efficiency and public need for each agency in accordance
15 with the criteria described in section 404.

16 (b) RECOMMENDATIONS; REPORT TO CONGRESS.—
17 The Commission shall submit to Congress and the Presi-
18 dent not later than September 1 of each year a report
19 containing—

20 (1) an analysis of the efficiency of operation
21 and public need for each agency to be reviewed in
22 the year in which the report is submitted pursuant
23 to the schedule submitted to Congress under section
24 2;

1 (2) recommendations on whether each such
2 agency should be abolished or reorganized;

3 (3) recommendations on whether the functions
4 of any other agencies should be consolidated, trans-
5 ferred, or reorganized in an agency to be reviewed
6 in the year in which the report is submitted pursu-
7 ant to the schedule submitted to Congress under
8 section 2; and

9 (4) recommendations for administrative and
10 legislative action with respect to each such agency,
11 but not including recommendations for appropriation
12 levels.

13 (c) DRAFT LEGISLATION.—The Commission shall
14 submit to Congress and the President not later than Sep-
15 tember 1 of each year a draft of legislation to carry out
16 the recommendations of the Commission under subsection
17 (b).

18 (d) INFORMATION GATHERING.—The Commission
19 shall—

20 (1) conduct public hearings on the abolishment
21 of each agency reviewed under subsection (b);

22 (2) provide an opportunity for public comment
23 on the abolishment of each such agency;

24 (3) require the agency to provide information to
25 the Commission as appropriate; and

1 (4) consult with the Government Accountability
2 Office, the Office of Management and Budget, the
3 Congressional Budget Office, and the chairman and
4 ranking minority members of the committees of Con-
5 gress with oversight responsibility for the agency
6 being reviewed regarding the operation of the agen-
7 cy.

8 (e) USE OF PROGRAM INVENTORY.—The Commis-
9 sion shall use the program inventory prepared under sec-
10 tion 9 in reviewing the efficiency and public need for each
11 agency under subsection (a).

12 **SEC. 404. CRITERIA FOR REVIEW.**

13 The Commission shall evaluate the efficiency and
14 public need for each agency pursuant to section 403 using
15 the following criteria:

16 (1) The effectiveness, and the efficiency of the
17 operation of, the programs carried out by each such
18 agency.

19 (2) Whether the programs carried out by the
20 agency are cost effective.

21 (3) Whether the agency has acted outside the
22 scope of its original authority, and whether the origi-
23 nal objectives of the agency have been achieved.

24 (4) Whether less restrictive or alternative meth-
25 ods exist to carry out the functions of the agency.

1 (5) The extent to which the jurisdiction of, and
2 the programs administered by, the agency duplicate
3 or conflict with the jurisdiction and programs of
4 other agencies.

5 (6) The potential benefits of consolidating pro-
6 grams administered by the agency with similar or
7 duplicative programs of other agencies, and the po-
8 tential for consolidating such programs.

9 (7) The number and types of beneficiaries or
10 persons served by programs carried out by the agen-
11 cy.

12 (8) The extent to which any trends, develop-
13 ments, and emerging conditions that are likely to af-
14 fect the future nature and extent of the problems or
15 needs that the programs carried out by the agency
16 are intended to address.

17 (9) The extent to which the agency has com-
18 plied with the provisions contained in the Govern-
19 ment Performance and Results Act of 1993 (Public
20 Law 103–62; 107 Stat. 285).

21 (10) The promptness and effectiveness with
22 which the agency seeks public input and input from
23 State and local governments on the efficiency and ef-
24 fectiveness of the performance of the functions of
25 the agency.

1 (11) Whether the agency has worked to enact
2 changes in the law that are intended to benefit the
3 public as a whole rather than the specific business,
4 institution, or individuals that the agency regulates.

5 (12) The extent to which the agency has en-
6 couraged participation by the public as a whole in
7 making its rules and decisions rather than encour-
8 aging participation solely by those it regulates.

9 (13) The extent to which the public participa-
10 tion in rulemaking and decision making of the agen-
11 cy has resulted in rules and decisions compatible
12 with the objectives of the agency.

13 (14) The extent to which the agency complies
14 with section 552 of title 5, United States Code (com-
15 monly known as the “Freedom of Information Act”).

16 (15) The extent to which the agency complies
17 with equal employment opportunity requirements re-
18 garding equal employment opportunity.

19 (16) The extent of the regulatory, privacy, and
20 paperwork impacts of the programs carried out by
21 the agency.

22 (17) The extent to which the agency has coordi-
23 nated with State and local governments in per-
24 forming the functions of the agency.

1 (18) The potential effects of abolishing the
2 agency on State and local governments.

3 (19) The extent to which changes are necessary
4 in the authorizing statutes of the agency in order
5 that the functions of the agency can be performed
6 in the most efficient and effective manner.

7 **SEC. 405. COMMISSION OVERSIGHT.**

8 (a) MONITORING OF IMPLEMENTATION OF REC-
9 OMMENDATIONS.—The Commission shall monitor imple-
10 mentation of laws enacting provisions that incorporate rec-
11 ommendations of the Commission with respect to abolish-
12 ment or reorganization of agencies.

13 (b) MONITORING OF OTHER RELEVANT LEGISLA-
14 TION.—

15 (1) IN GENERAL.—The Commission shall review
16 and report to Congress on all legislation introduced
17 in either house of Congress that establishes—

18 (A) a new agency; or

19 (B) a new program to be carried out by an
20 existing agency.

21 (2) REPORT TO CONGRESS.—The Commission
22 shall include in each report submitted to Congress
23 under paragraph (1) an analysis of whether—

1 (A) the functions of the proposed agency
2 or program could be carried out by one or more
3 existing agencies;

4 (B) the functions of the proposed agency
5 or program could be carried out in a less re-
6 strictive manner than the manner proposed in
7 the legislation; and

8 (C) the legislation provides for public input
9 regarding the performance of functions by the
10 proposed agency or program.

11 **SEC. 406. RULEMAKING AUTHORITY.**

12 The Commission may promulgate such rules as nec-
13 essary to carry out this subtitle.

14 **SEC. 407. RELOCATION OF FEDERAL EMPLOYEES.**

15 If the position of an employee of an agency is elimi-
16 nated as a result of the abolishment of an agency in ac-
17 cordance with this subtitle, there shall be a reasonable ef-
18 fort to relocate such employee to a position within another
19 agency.

20 **SEC. 408. PROGRAM INVENTORY.**

21 (a) PREPARATION.—The Comptroller General and
22 the Director of the Congressional Budget Office, in co-
23 operation with the Director of the Congressional Research
24 Service, shall prepare an inventory of Federal programs

1 (in this subtitle referred to as the “program inventory”)
2 within each agency.

3 (b) PURPOSE.—The purpose of the program inven-
4 tory is to advise and assist the Congress and the Commis-
5 sion in carrying out the requirements of this subtitle. Such
6 inventory shall not in any way bind the committees of the
7 Senate or the House of Representatives with respect to
8 their responsibilities under this subtitle and shall not in-
9 fringe on the legislative and oversight responsibilities of
10 such committees. The Comptroller General shall compile
11 and maintain the inventory and the Director of the Con-
12 gressional Budget Office shall provide budgetary informa-
13 tion for inclusion in the inventory.

14 (c) INVENTORY CONTENT.—The program inventory
15 shall set forth for each program each of the following mat-
16 ters:

17 (1) The specific provision or provisions of law
18 authorizing the program.

19 (2) The committees of the Senate and the
20 House of Representatives which have legislative or
21 oversight jurisdiction over the program.

22 (3) A brief statement of the purpose or pur-
23 poses to be achieved by the program.

24 (4) The committees which have jurisdiction over
25 legislation providing new budget authority for the

1 program, including the appropriate subcommittees of
2 the Committees on Appropriations of the Senate and
3 the House of Representatives.

4 (5) The agency and, if applicable, the subdivi-
5 sion thereof responsible for administering the pro-
6 gram.

7 (6) The grants-in-aid, if any, provided by such
8 program to State and local governments.

9 (7) The next reauthorization date for the pro-
10 gram.

11 (8) A unique identification number which links
12 the program and functional category structure.

13 (9) The year in which the program was origi-
14 nally established and, where applicable, the year in
15 which the program expires.

16 (10) Where applicable, the year in which new
17 budget authority for the program was last author-
18 ized and the year in which current authorizations of
19 new budget authority expire.

20 (d) BUDGET AUTHORITY.—The report also shall set
21 forth for each program whether the new budget authority
22 provided for such programs is—

23 (1) authorized for a definite period of time;

24 (2) authorized in a specific dollar amount but
25 without limit of time;

1 (3) authorized without limit of time or dollar
2 amounts;

3 (4) not specifically authorized; or

4 (5) permanently provided,

5 as determined by the Director of the Congressional Budg-
6 et Office.

7 (e) CBO INFORMATION.—For each program or group
8 of programs, the program inventory also shall include in-
9 formation prepared by the Director of the Congressional
10 Budget Office indicating each of the following matters:

11 (1) The amounts of new budget authority au-
12 thorized and provided for the program for each of
13 the preceding four fiscal years and, where applicable,
14 the four succeeding fiscal years.

15 (2) The functional and subfunctional category
16 in which the program is presently classified and was
17 classified under the fiscal year 2010 budget.

18 (3) The identification code and title of the ap-
19 propriation account in which budget authority is
20 provided for the program.

21 (f) MUTUAL EXCHANGE OF INFORMATION.—The
22 Government Accountability Office, the Congressional Re-
23 search Service, and the Congressional Budget Office shall
24 permit the mutual exchange of available information in

1 their possession which aids in the compilation of the pro-
 2 gram inventory.

3 (g) ASSISTANCE BY EXECUTIVE BRANCH.—The Of-
 4 fice of Management and Budget, and the Executive agen-
 5 cies and the subdivisions thereof shall, to the extent nec-
 6 essary and possible, provide the Government Account-
 7 ability Office with assistance requested by the Comptroller
 8 General in the compilation of the program inventory.

9 **SEC. 409. DEFINITION OF AGENCY.**

10 As used in this subtitle, the term “agency” has the
 11 meaning given that term by section 105 of title 5, United
 12 States Code, except that such term includes an advisory
 13 committee as that term is defined in section 102(2) of the
 14 Federal Advisory Committee Act.

15 **Subtitle B—Legislative Line-Item**
 16 **Veto**

17 **SEC. 410. SHORT TITLE.**

18 This subtitle may be cited as the “Legislative Line-
 19 Item Veto Act of 2009”.

20 **SEC. 411. LEGISLATIVE LINE-ITEM VETO.**

21 (a) IN GENERAL.—Title X of the Congressional
 22 Budget and Impoundment Control Act of 1974 (2 U.S.C.
 23 621 et seq.) is amended by striking all of part B (except
 24 for sections 1016 and 1013, which are redesignated as sec-

1 tions 1020 and 1021, respectively) and part C and insert-
 2 ing the following:

3 “PART B—LEGISLATIVE LINE-ITEM VETO

4 “LINE-ITEM VETO AUTHORITY

5 “SEC. 1011. (a) PROPOSED CANCELLATIONS.—With-
 6 in 45 calendar days after the enactment of any bill or joint
 7 resolution providing any discretionary budget authority,
 8 item of direct spending, limited tariff benefit, or targeted
 9 tax benefit, the President may propose, in the manner pro-
 10 vided in subsection (b), the cancellation of any dollar
 11 amount of such discretionary budget authority, item of di-
 12 rect spending, or targeted tax benefit. If the 45 calendar-
 13 day period expires during a period where either House of
 14 Congress stands adjourned sine die at the end of a Con-
 15 gress or for a period greater than 45 calendar days, the
 16 President may propose a cancellation under this section
 17 and transmit a special message under subsection (b) on
 18 the first calendar day of session following such a period
 19 of adjournment.

20 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

21 “(1) SPECIAL MESSAGE.—

22 “(A) IN GENERAL.—The President may
 23 transmit to the Congress a special message pro-
 24 posing to cancel any dollar amounts of discre-
 25 tionary budget authority, items of direct spend-

1 ing, limited tariff benefits, or targeted tax bene-
2 fits.

3 “(B) CONTENTS OF SPECIAL MESSAGE.—

4 Each special message shall specify, with respect
5 to the discretionary budget authority, items of
6 direct spending proposed, limited tariff benefits,
7 or targeted tax benefits to be canceled—

8 “(i) the dollar amount of discretionary
9 budget authority, the specific item of direct
10 spending (that OMB, after consultation
11 with CBO, estimates to increase budget
12 authority or outlays as required by section
13 1017(9)), the limited tariff benefit, or the
14 targeted tax benefit that the President pro-
15 poses be canceled;

16 “(ii) any account, department, or es-
17 tablishment of the Government to which
18 such discretionary budget authority is
19 available for obligation, and the specific
20 project or governmental functions involved;

21 “(iii) the reasons why such discre-
22 tionary budget authority, item of direct
23 spending, limited tariff benefit, or targeted
24 tax benefit should be canceled;

1 “(iv) to the maximum extent prac-
2 ticable, the estimated fiscal, economic, and
3 budgetary effect (including the effect on
4 outlays and receipts in each fiscal year) of
5 the proposed cancellation;

6 “(v) to the maximum extent prac-
7 ticable, all facts, circumstances, and con-
8 siderations relating to or bearing upon the
9 proposed cancellation and the decision to
10 propose the cancellation, and the estimated
11 effect of the proposed cancellation upon
12 the objects, purposes, or programs for
13 which the discretionary budget authority,
14 item of direct spending, limited tariff ben-
15 efit, or the targeted tax benefit is provided;

16 “(vi) a numbered list of cancellations
17 to be included in an approval bill that, if
18 enacted, cancels discretionary budget au-
19 thority, items of direct spending, limited
20 tariff benefit, or targeted tax benefits pro-
21 posed in that special message; and

22 “(vii) if the special message is trans-
23 mitted subsequent to or at the same time
24 as another special message, a detailed ex-
25 planation why the proposed cancellations

1 are not substantially similar to any other
2 proposed cancellation in such other mes-
3 sage.

4 “(C) DUPLICATIVE PROPOSALS PROHIB-
5 ITED.—The President may not propose to can-
6 cel the same or substantially similar discre-
7 tionary budget authority, item of direct spend-
8 ing, limited tariff benefit, or targeted tax ben-
9 efit more than one time under this Act.

10 “(D) MAXIMUM NUMBER OF SPECIAL MES-
11 SAGES.—The President may not transmit to the
12 Congress more than 5 special messages under
13 this subsection related to any bill or joint reso-
14 lution described in subsection (a), but may
15 transmit not more than 10 special messages for
16 any omnibus budget reconciliation or appropria-
17 tion measure.

18 “(2) ENACTMENT OF APPROVAL BILL.—

19 “(A) DEFICIT REDUCTION.—Amounts of
20 budget authority, items of direct spending, lim-
21 ited tariff benefit, or targeted tax benefits
22 which are canceled pursuant to enactment of a
23 bill as provided under this section shall be dedi-
24 cated only to reducing the deficit or increasing
25 the surplus.

1 “(B) ADJUSTMENT OF LEVELS IN THE
2 JOINT RESOLUTION ON THE BUDGET.—Not
3 later than 5 days after the date of enactment
4 of an approval bill as provided under this sec-
5 tion, the chairs of the Committees on the Budg-
6 et of the Senate and the House of Representa-
7 tives shall revise allocations and aggregates and
8 other appropriate levels under the appropriate
9 joint resolution on the budget to reflect the can-
10 cellation, and the applicable committees shall
11 report revised suballocations pursuant to sec-
12 tion 302(b), as appropriate.

13 “(C) ADJUSTMENTS TO STATUTORY LIM-
14 ITS.—After enactment of an approval bill as
15 provided under this section, the Office of Man-
16 agement and Budget shall revise applicable lim-
17 its under the Balanced Budget and Emergency
18 Deficit Control Act of 1985, as appropriate.

19 “(D) TRUST FUNDS AND SPECIAL
20 FUNDS.—Notwithstanding subparagraph (A),
21 nothing in this part shall be construed to re-
22 quire or allow the deposit of amounts derived
23 from a trust fund or special fund which are
24 canceled pursuant to enactment of a bill as pro-
25 vided under this section to any other fund.

1 “PROCEDURES FOR EXPEDITED CONSIDERATION

2 “SEC. 1012. (a) EXPEDITED CONSIDERATION.—

3 “(1) IN GENERAL.—The majority leader or mi-
4 nority leader of each House or his designee shall (by
5 request) introduce an approval bill as defined in sec-
6 tion 1017 not later than the third day of session of
7 that House after the date of receipt of a special mes-
8 sage transmitted to the Congress under section
9 1011(b). If the bill is not introduced as provided in
10 the preceding sentence in either House, then, on the
11 fourth day of session of that House after the date
12 of receipt of the special message, any Member of
13 that House may introduce the bill.

14 “(2) CONSIDERATION IN THE HOUSE OF REP-
15 RESENTATIVES.—

16 “(A) REFERRAL AND REPORTING.—Any
17 committee of the House of Representatives to
18 which an approval bill is referred shall report it
19 to the House of Representatives without amend-
20 ment not later than the seventh legislative day
21 after the date of its introduction. If a com-
22 mittee fails to report the bill within that period
23 or the House of Representatives has adopted a
24 joint resolution providing for adjournment sine
25 die at the end of a Congress, such committee

1 shall be automatically discharged from further
2 consideration of the bill and it shall be placed
3 on the appropriate calendar.

4 “(B) PROCEEDING TO CONSIDERATION.—
5 After an approval bill is reported by or dis-
6 charged from committee or the House of Rep-
7 resentatives has adopted a joint resolution pro-
8 viding for adjournment sine die at the end of a
9 Congress, it shall be in order to move to pro-
10 ceed to consider the approval bill in the House
11 of Representatives within two legislative days
12 after the day on which the proponent announces
13 his intention to offer the motion. Such a motion
14 shall not be in order after the House of Rep-
15 resentatives has disposed of a motion to proceed
16 with respect to that special message. The pre-
17 vious question shall be considered as ordered on
18 the motion to its adoption without intervening
19 motion. A motion to reconsider the vote by
20 which the motion is disposed of shall not be in
21 order.

22 “(C) CONSIDERATION.—The approval bill
23 shall be considered as read. All points of order
24 against an approval bill and against its consid-
25 eration are waived. The previous question shall

1 be considered as ordered on an approval bill to
2 its passage without intervening motion except
3 five hours of debate equally divided and con-
4 trolled by the proponent and an opponent and
5 one motion to limit debate on the bill. A motion
6 to reconsider the vote on passage of the bill
7 shall not be in order.

8 “(D) SENATE BILL.—An approval bill re-
9 ceived from the Senate shall not be referred to
10 committee.

11 “(3) CONSIDERATION IN THE SENATE.—

12 “(A) MOTION TO PROCEED TO CONSIDER-
13 ATION.—A motion to proceed to the consider-
14 ation of a bill under this subsection in the Sen-
15 ate shall not be debatable. It shall not be in
16 order to move to reconsider the vote by which
17 the motion to proceed is agreed to or disagreed
18 to.

19 “(B) LIMITS ON DEBATE.—Debate in the
20 Senate on a bill under this subsection, and all
21 debatable motions and appeals in connection
22 therewith (including debate pursuant to sub-
23 paragraph (D)), shall not exceed 10 hours,
24 equally divided and controlled in the usual
25 form.

1 “(C) APPEALS.—Debate in the Senate on
2 any debatable motion or appeal in connection
3 with a bill under this subsection shall be limited
4 to not more than 1 hour, to be equally divided
5 and controlled in the usual form.

6 “(D) MOTION TO LIMIT DEBATE.—A mo-
7 tion in the Senate to further limit debate on a
8 bill under this subsection is not debatable.

9 “(E) MOTION TO RECOMMIT.—A motion to
10 recommit a bill under this subsection is not in
11 order.

12 “(F) CONSIDERATION OF THE HOUSE OF
13 REPRESENTATIVES BILL.—

14 “(i) IN GENERAL.—If the Senate has
15 received the House of Representatives com-
16 panion bill to the bill introduced in the
17 Senate prior to the vote required under
18 paragraph (1)(C), then the Senate may
19 consider, and the vote under paragraph
20 (1)(c) may occur on, the House of Rep-
21 resentatives companion bill.

22 “(ii) PROCEDURE AFTER VOTE ON
23 SENATE BILL.—If the Senate votes, pursu-
24 ant to paragraph (1)(C), on the bill intro-
25 duced in the Senate, then immediately fol-

1 lowing that vote, or upon receipt of the
2 House of Representatives companion bill,
3 the House of Representatives bill shall be
4 deemed to be considered, read the third
5 time, and the vote on passage of the Sen-
6 ate bill shall be considered to be the vote
7 on the bill received from the House of Rep-
8 resentatives.

9 “(b) AMENDMENTS PROHIBITED.—No amendment
10 to, or motion to strike a provision from, a bill considered
11 under this section shall be in order in either the Senate
12 or the House of Representatives.

13 “PRESIDENTIAL DEFERRAL AUTHORITY

14 “SEC. 1013. (a) TEMPORARY PRESIDENTIAL AU-
15 THORITY TO WITHHOLD DISCRETIONARY BUDGET AU-
16 THORITY.—

17 “(1) IN GENERAL.—At the same time as the
18 President transmits to the Congress a special mes-
19 sage pursuant to section 1011(b), the President may
20 direct that any dollar amount of discretionary budg-
21 et authority to be canceled in that special message
22 shall not be made available for obligation for a pe-
23 riod not to exceed 45 calendar days from the date
24 the President transmits the special message to the
25 Congress.

1 “(2) EARLY AVAILABILITY.—The President
2 shall make any dollar amount of discretionary budg-
3 et authority deferred pursuant to paragraph (1)
4 available at a time earlier than the time specified if
5 he determines that continuation of the deferral not
6 further the purposes of this Act.

7 “(b) TEMPORARY PRESIDENTIAL AUTHORITY TO
8 SUSPEND DIRECT SPENDING.—

9 “(1) IN GENERAL.—At the same time as the
10 President transmits to the Congress a special mes-
11 sage pursuant to section 1011(b), the President may
12 suspend the implementation of any item of direct
13 spending proposed to be canceled in that special
14 message for a period not to exceed 45 calendar days
15 from the date the President transmits the special
16 message to the Congress.

17 “(2) EARLY AVAILABILITY.—The President
18 shall terminate the suspension of any item of direct
19 spending at a time earlier than the time specified if
20 he determines that continuation of the suspension
21 will not further the purposes of this Act.

22 “(c) TEMPORARY PRESIDENTIAL AUTHORITY TO
23 SUSPEND A LIMITED TARIFF BENEFIT.—

24 “(1) IN GENERAL.—At the same time as the
25 President transmits to the Congress a special mes-

1 sage pursuant to section 1011(b), the President may
2 suspend the implementation of any limited tariff
3 benefit proposed to be canceled in that special mes-
4 sage for a period not to exceed 45 calendar days
5 from the date the President transmits the special
6 message to the Congress.

7 “(2) EARLY AVAILABILITY.—The President
8 shall terminate the suspension of any limited tariff
9 benefit at a time earlier than the time specified if he
10 determines that continuation of the suspension will
11 not further the purposes of this Act.

12 “(d) TEMPORARY PRESIDENTIAL AUTHORITY TO
13 SUSPEND A TARGETED TAX BENEFIT.—

14 “(1) IN GENERAL.—At the same time as the
15 President transmits to the Congress a special mes-
16 sage pursuant to section 1011(b), the President may
17 suspend the implementation of any targeted tax ben-
18 efit proposed to be repealed in that special message
19 for a period not to exceed 45 calendar days from the
20 date the President transmits the special message to
21 the Congress.

22 “(2) EARLY AVAILABILITY.—The President
23 shall terminate the suspension of any targeted tax
24 benefit at a time earlier than the time specified if he

1 determines that continuation of the suspension will
2 not further the purposes of this Act.

3 “(e) EXTENSION OF 45-DAY PERIOD.—The Presi-
4 dent may transmit to the Congress not more than one sup-
5 plemental special message to extend the period to suspend
6 the implementation of any discretionary budget authority,
7 item of direct spending, limited tariff benefit, or targeted
8 tax benefit, as applicable, by an additional 45 calendar
9 days. Any such supplemental message may not be trans-
10 mitted to the Congress before the 40th day of the 45-day
11 period set forth in the preceding message or later than
12 the last day of such period.

13 “IDENTIFICATION OF TARGETED TAX BENEFITS

14 “SEC. 1014. (a) STATEMENT.—The chairman of the
15 Committee on Ways and Means of the House of Rep-
16 resentatives and the chairman of the Committee on Fi-
17 nance of the Senate acting jointly (hereafter in this sub-
18 section referred to as the ‘chairmen’) shall review any rev-
19 enue or reconciliation bill or joint resolution which in-
20 cludes any amendment to the Internal Revenue Code of
21 1986 that is being prepared for filing by a committee of
22 conference of the two Houses, and shall identify whether
23 such bill or joint resolution contains any targeted tax ben-
24 efits. The chairmen shall provide to the committee of con-
25 ference a statement identifying any such targeted tax ben-
26 efits or declaring that the bill or joint resolution does not

1 contain any targeted tax benefits. Any such statement
 2 shall be made available to any Member of Congress by
 3 the chairmen immediately upon request.

4 “(b) STATEMENT INCLUDED IN LEGISLATION.—

5 “(1) IN GENERAL.—Notwithstanding any other
 6 rule of the House of Representatives or any rule or
 7 precedent of the Senate, any revenue or reconcili-
 8 ation bill or joint resolution which includes any
 9 amendment to the Internal Revenue Code of 1986
 10 reported by a committee of conference of the two
 11 Houses may include, as a separate section of such
 12 bill or joint resolution, the information contained in
 13 the statement of the chairmen, but only in the man-
 14 ner set forth in paragraph (2).

15 “(2) APPLICABILITY.—The separate section
 16 permitted under subparagraph (A) shall read as fol-
 17 lows: ‘Section 1021 of the Congressional Budget and
 18 Impoundment Control Act of 1974 shall
 19 _____ apply to _____.’, with
 20 the blank spaces being filled in with—

21 “(A) in any case in which the chairmen
 22 identify targeted tax benefits in the statement
 23 required under subsection (a), the word ‘only’
 24 in the first blank space and a list of all of the

1 specific provisions of the bill or joint resolution
2 in the second blank space; or

3 “(B) in any case in which the chairmen de-
4 clare that there are no targeted tax benefits in
5 the statement required under subsection (a),
6 the word ‘not’ in the first blank space and the
7 phrase ‘any provision of this Act’ in the second
8 blank space.

9 “(c) IDENTIFICATION IN REVENUE ESTIMATE.—
10 With respect to any revenue or reconciliation bill or joint
11 resolution with respect to which the chairmen provide a
12 statement under subsection (a), the Joint Committee on
13 Taxation shall—

14 “(1) in the case of a statement described in
15 subsection (b)(2)(A), list the targeted tax benefits in
16 any revenue estimate prepared by the Joint Com-
17 mittee on Taxation for any conference report which
18 accompanies such bill or joint resolution, or

19 “(2) in the case of a statement described in 13
20 subsection (b)(2)(B), indicate in such revenue esti-
21 mate that no provision in such bill or joint resolution
22 has been identified as a targeted tax benefit.

23 “(d) PRESIDENT’S AUTHORITY.—If any revenue or
24 reconciliation bill or joint resolution is signed into law—

1 “(1) with a separate section described in sub-
2 section (b)(2), then the President may use the au-
3 thority granted in this section only with respect to
4 any targeted tax benefit in that law, if any, identi-
5 fied in such separate section; or

6 “(2) without a separate section described in
7 subsection (b)(2), then the President may use the
8 authority granted in this section with respect to any
9 targeted tax benefit in that law.

10 “TREATMENT OF CANCELLATIONS

11 “SEC. 1015. The cancellation of any dollar amount
12 of discretionary budget authority, item of direct spending,
13 limited tariff benefit, or targeted tax benefit shall take ef-
14 fect only upon enactment of the applicable approval bill.
15 If an approval bill is not enacted into law before the end
16 of the applicable period under section 1013, then all pro-
17 posed cancellations contained in that bill shall be null and
18 void and any such dollar amount of discretionary budget
19 authority, item of direct spending, limited tariff benefit,
20 or targeted tax benefit shall be effective as of the original
21 date provided in the law to which the proposed cancella-
22 tions applied.

23 “REPORTS BY COMPTROLLER GENERAL

24 “SEC. 1016. With respect to each special message
25 under this part, the Comptroller General shall issue to the
26 Congress a report determining whether any discretionary

1 budget authority is not made available for obligation or
2 item of direct spending, limited tariff benefit, or targeted
3 tax benefit continues to be suspended after the deferral
4 authority set forth in section 1013 of the President has
5 expired.

6 “DEFINITIONS

7 “SEC. 1017. As used in this part:

8 “(1) APPROPRIATION LAW.—The term ‘appro-
9 priation law’ means an Act referred to in section
10 105 of title 1, United States Code, including any
11 general or special appropriation Act, or any Act
12 making supplemental, deficiency, or continuing ap-
13 propriations, that has been signed into law pursuant
14 to Article I, section 7, of the Constitution of the
15 United States.

16 “(2) APPROVAL BILL.—The term ‘approval bill’
17 means a bill or joint resolution which only approves
18 proposed cancellations of dollar amounts of discre-
19 tionary budget authority, items of new direct spend-
20 ing, limited tariff benefits, or targeted tax benefits
21 in a special message transmitted by the President
22 under this part and—

23 “(A) the title of which is as follows: ‘A bill
24 approving the proposed cancellations trans-
25 mitted by the President on _____’, the blank
26 space being filled in with the date of trans-

1 mission of the relevant special message and the
2 public law number to which the message re-
3 lates;

4 “(B) which does not have a preamble; and

5 “(C) which provides only the following
6 after the enacting clause: ‘That the Congress
7 approves of proposed cancellations _____’, the
8 blank space being filled in with a list of the
9 cancellations contained in the President’s spe-
10 cial message, ‘as transmitted by the President
11 in a special message on _____’, the blank
12 space being filled in with the appropriate date,
13 ‘regarding _____.’, the blank space being
14 filled in with the public law number to which
15 the special message relates;

16 “(D) which only includes proposed can-
17 cellations that are estimated by CBO to meet
18 the definition of discretionary budgetary au-
19 thority or items of direct spending, or limited
20 tariff benefits, or that are identified as targeted
21 tax benefits pursuant to section 1014;

22 “(E) if any proposed cancellation other
23 than discretionary budget authority or targeted
24 tax benefits is estimated by CBO to not meet
25 the definition of item of direct spending, then

1 the approval bill shall include at the end: ‘The
2 President shall cease the suspension of the im-
3 plementation of the following under section
4 1013 of the Impoundment Control Act of 1974:
5 _____’, the blank space being filled in
6 with the list of such proposed cancellations; and

7 “(F) if no CBO estimate is available, then
8 the entire list of legislative provisions proposed
9 by the President is inserted in the second blank
10 space in subparagraph (C).

11 “(3) CALENDAR DAY.—The term ‘calendar day’
12 means a standard 24-hour period beginning at mid-
13 night.

14 “(4) CANCEL OR CANCELLATION.—The terms
15 ‘cancel’ or ‘cancellation’ means to prevent—

16 “(A) budget authority from having legal
17 force or effect;

18 “(B) in the case of entitlement authority,
19 to prevent the specific legal obligation of the
20 United States from having legal force or effect;

21 “(C) in the case of the food stamp pro-
22 gram, to prevent the specific provision of law
23 that provides such benefit from having legal
24 force or effect; or

1 “(D) a limited tariff benefit from having
2 legal force or effect, and to make any necessary,
3 conforming statutory change to ensure that
4 such limited tariff benefit is not implemented;
5 or

6 “(E) a targeted tax benefit from having
7 legal force or effect, and to make any necessary,
8 conforming statutory change to ensure that
9 such targeted tax benefit is not implemented
10 and that any budgetary resources are appro-
11 priately canceled.

12 “(5) CONGRESSIONAL BUDGET OFFICE.—The
13 term ‘CBO’ means the Director of the Congressional
14 Budget Office.

15 “(6) DIRECT SPENDING.—The term ‘direct
16 spending’ means—

17 “(A) budget authority provided by law
18 (other than an appropriation law);

19 “(B) entitlement authority; and

20 “(C) the food stamp program.

21 “(7) AMOUNT OF DISCRETIONARY BUDGET AU-
22 THORITY.—(A) Except as provided in subparagraph
23 (B), the term ‘dollar amount of discretionary budget
24 authority’ means the entire dollar amount of budget
25 authority—

1 “(i) specified in an appropriation law,
2 or the entire dollar amount of budget au-
3 thority or obligation limitation required to
4 be allocated by a specific proviso in an ap-
5 propriation law for which a specific dollar
6 figure was not included;

7 “(ii) represented separately in any
8 table, chart, or explanatory text included
9 in the statement of managers or the gov-
10 erning committee report accompanying
11 such law;

12 “(iii) required to be allocated for a
13 specific program, project, or activity in a
14 law (other than an appropriation law) that
15 mandates the expenditure of budget au-
16 thority from accounts, programs, projects,
17 or activities for which budget authority is
18 provided in an appropriation law;

19 “(iv) represented by the product of
20 the estimated procurement cost and the
21 total quantity of items specified in an ap-
22 propriation law or included in the state-
23 ment of managers or the governing com-
24 mittee report accompanying such law; or

1 “(v) represented by the product of the
2 estimated procurement cost and the total
3 quantity of items required to be provided
4 in a law (other than an appropriation law)
5 that mandates the expenditure of budget
6 authority from accounts, programs,
7 projects, or activities for which budget au-
8 thority is provided in an appropriation law.

9 “(B) The term ‘dollar amount of discre-
10 tionary budget authority’ does not include—

11 “(i) direct spending;

12 “(ii) budget authority in an appro-
13 priation law which funds direct spending
14 provided for in other law;

15 “(iii) any existing budget authority
16 canceled in an appropriation law; or

17 “(iv) any restriction, condition, or lim-
18 itation in an appropriation law or the ac-
19 companying statement of managers or
20 committee reports on the expenditure of
21 budget authority for an account, program,
22 project, or activity, or on activities involv-
23 ing such expenditure.

24 “(8) ITEM OF DIRECT SPENDING.—The term
25 ‘item of direct spending’ means any provision of law

1 that results in an increase in budget authority or
2 outlays for direct spending relative to the most re-
3 cent levels calculated consistent with the method-
4 ology used to calculate a baseline under section 257
5 of the Balanced Budget and Emergency Deficit Con-
6 trol Act of 1985 and included with a budget submis-
7 sion under section 1105(a) of title 31, United States
8 Code, in the first year or the 5-year period for which
9 the item is effective. However, such item does not in-
10 clude an extension or reauthorization of existing di-
11 rect spending, but instead only refers to provisions
12 of law that increase such direct spending.

13 “(9) LIMITED TARIFF BENEFIT.—The term
14 ‘limited tariff benefit’ means any provision of law
15 that modifies the Harmonized Tariff Schedule of the
16 United States in a manner that benefits 10 or fewer
17 entities (as defined in paragraph (12)(B)).

18 “(10) OMB.—The term ‘OMB’ means the Di-
19 rector of the Office of Management and Budget.

20 “(11) OMNIBUS RECONCILIATION OR APPRO-
21 PRIATION MEASURE.—The term ‘omnibus reconcili-
22 ation or appropriation measure’ means—

23 “(A) in the case of a reconciliation bill, any
24 such bill that is reported to its House by the
25 Committee on the Budget; or

1 “(B) in the case of an appropriation meas-
2 sure, any such measure that provides appropria-
3 tions for programs, projects, or activities falling
4 within 2 or more section 302(b) suballocations.

5 “(12) TARGETED TAX BENEFIT.—(A) The term
6 ‘targeted tax benefit’ means any revenue-losing pro-
7 vision that provides a Federal tax deduction, credit,
8 exclusion, or preference to ten or fewer beneficiaries
9 (determined with respect to either present law or
10 any provision of which the provision is a part) under
11 the Internal Revenue Code of 1986 in any year for
12 which the provision is in effect;

13 “(B) for purposes of subparagraph (A)—

14 “(i) all businesses and associations
15 that are members of the same controlled
16 group of corporations (as defined in sec-
17 tion 1563(a) of the Internal Revenue Code
18 of 1986) shall be treated as a single bene-
19 ficiary;

20 “(ii) all shareholders, partners, mem-
21 bers, or beneficiaries of a corporation,
22 partnership, association, or trust or estate,
23 respectively, shall be treated as a single
24 beneficiary;

1 “(iii) all employees of an employer
2 shall be treated as a single beneficiary;

3 “(iv) all qualified plans of an em-
4 ployer shall be treated as a single bene-
5 ficiary;

6 “(v) all beneficiaries of a qualified
7 plan shall be treated as a single bene-
8 ficiary;

9 “(vi) all contributors to a charitable
10 organization shall be treated as a single
11 beneficiary;

12 “(vii) all holders of the same bond
13 issue shall be treated as a single bene-
14 ficiary; and

15 “(viii) if a corporation, partnership,
16 association, trust or estate is the bene-
17 ficiary of a provision, the shareholders of
18 the corporation, the partners of the part-
19 nership, the members of the association, or
20 the beneficiaries of the trust or estate shall
21 not also be treated as beneficiaries of such
22 provision;

23 “(C) for the purpose of this paragraph, the
24 term ‘revenue-losing provision’ means any pro-
25 vision that is estimated to result in a reduction

in Federal tax revenues (determined with respect to either present law or any provision of which the provision is a part) for any one of the two following periods—

“(i) the first fiscal year for which the provision is effective; or

“(ii) the period of the five fiscal years beginning with the first fiscal year for which the provision is effective;

“(D) the term ‘targeted tax benefit’ does not include any provision which applies uniformly to an entire industry; and

“(E) the terms used in this paragraph shall have the same meaning as those terms have generally in the Internal Revenue Code of 1986, unless otherwise expressly provided.

“EXPIRATION

“SEC. 1018. This title shall have no force or effect on or after October 1, 2019.

“DEFICIT REDUCTION

“SEC. 1019. All spending reductions related to this title shall be for deficit reduction.”.

SEC. 412. TECHNICAL AND CONFORMING AMENDMENTS.

(a) EXERCISE OF RULEMAKING POWERS.—Section 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 note) is amended—

1 (1) in subsection (a), by striking “1017” and
2 inserting “1012”; and

3 (2) in subsection (d), by striking “section
4 1017” and inserting “section 1012”.

5 (b) ANALYSIS BY CONGRESSIONAL BUDGET OF-
6 FICE.—Section 402 of the Congressional Budget Act of
7 1974 is amended by inserting “(a)” after “402.” and by
8 adding at the end the following new subsection:

9 “(b) Upon the receipt of a special message under sec-
10 tion 1011 proposing to cancel any item of direct spending,
11 the Director of the Congressional Budget Office shall pre-
12 pare an estimate of the savings in budget authority or out-
13 lays resulting from such proposed cancellation relative to
14 the most recent levels calculated consistent with the meth-
15 odology used to calculate a baseline under section 257 of
16 the Balanced Budget and Emergency Deficit Control Act
17 of 1985 and included with a budget submission under sec-
18 tion 1105(a) of title 31, United States Code, and transmit
19 such estimate to the chairmen of the Committees on the
20 Budget of the House of Representatives and Senate.”.

21 (c) CLERICAL AMENDMENTS.—(1) Section 1(a) of
22 the Congressional Budget and Impoundment Control Act
23 of 1974 is amended by striking the last sentence.

24 (2) Section 1021(c) of such Act (as redesignated) is
25 amended is amended by striking “rescinded or that is to

1 be reserved” and insert “canceled” and by striking
 2 “1012” and inserting “1011”.

3 (3) TABLE OF CONTENTS.—The table of contents set
 4 forth in section 1(b) of the Congressional Budget and Im-
 5 poundment Control Act of 1974 is amended by deleting
 6 the contents for parts B and C of title X and inserting
 7 the following:

“PART B—LEGISLATIVE LINE-ITEM VETO

“Sec. 1011. Line-item veto authority.
 “Sec. 1012. Procedures for expedited consideration.
 “Sec. 1013. Presidential deferral authority.
 “Sec. 1014. Identification of targeted tax benefits.
 “Sec. 1015. Treatment of cancellations.
 “Sec. 1016. Reports by Comptroller General.
 “Sec. 1017. Definitions.
 “Sec. 1018. Expiration.
 “Sec. 1019. Deficit reduction.
 “Sec. 1020. Suits by Comptroller General.
 “Sec. 1021. Proposed deferrals of budget authority.”.

8 (d) EFFECTIVE DATE.—The amendments made by
 9 this subtitle shall take effect on the date of its enactment
 10 and apply only to any dollar amount of discretionary budg-
 11 et authority, item of direct spending, or targeted tax ben-
 12 efit provided in an Act enacted on or after the date of
 13 enactment of this Act.

14 **SEC. 413. RESCISSION MEASURES CONSIDERED.**

15 (a) RULES AMENDMENT.—Clause 6(c) of rule XIII
 16 of the Rules of the House of Representatives is amended
 17 by inserting before the period “, or a rule or order that
 18 limits any amendment otherwise in order to a rescission
 19 bill”.

1 (b) AUTOMATIC ALLOCATIONS REDUCTIONS.—

2 Clause 4(b) of rule X of the Rules of the House of Rep-
 3 resentatives is amended by inserting “(1)” after “(b)”, by
 4 redesignating subparagraphs (1) through (6) as subdivi-
 5 sions (A) through (F), respectively, and by adding at the
 6 end the following:

7 “(2)(A) Whenever a rescission bill passes the House
 8 of Representatives, the Committee on the Budget shall im-
 9 mediately reduce the applicable allocations under section
 10 302(a) of the Congressional Budget Act of 1974 by the
 11 total amount of reductions in budget authority and in out-
 12 lays resulting from such rescission bill.

13 “(B) As used in this subparagraph, the term ‘rescis-
 14 sion bill’ means a bill or joint resolution which only re-
 15 scinds, in whole or in part, budget authority and which
 16 includes only titles corresponding to the most recently en-
 17 acted appropriation bills that continue to include unobli-
 18 gated balances.”.

19 (c) PRIVILEGED DISCHARGE RESOLUTIONS.—Rule
 20 XIII of the Rules of the House of Representatives is
 21 amended by adding at the end the following new clause:

22 “8. (a) By February 1, May 1, July 30, and Novem-
 23 ber 11 of each session, the majority leader shall introduce
 24 a rescission bill. If such bill is not introduced by that date,
 25 then whenever a rescission bill is introduced during a ses-

1 sion on or after that date, a motion to discharge the com-
2 mittee from its consideration shall be privileged after the
3 10-legislative day period beginning on that date for the
4 first 5 such bills.

5 “(b) It shall not be in order to offer any amendment
6 to a rescission bill except an amendment that increases
7 the amount of budget authority that such bill rescinds.

8 “(c) As used in this clause and in clause 6, the term
9 ‘rescission bill’ has the meaning given such term in clause
10 4(b)(2)(B) of rule X.”.

11 (d) POINT OF ORDER.—Rule XXI of the Rules of the
12 House of Representatives (as amended by subsection (d))
13 is further amended by adding at the end the following new
14 clause:

15 “9. (a) It shall not be in order to consider any rescis-
16 sion bill, or conference report thereon or amendment
17 thereto, unless—

18 “(1) in the case of such bill or conference re-
19 port thereon, it is made available to Members and
20 the general public on the Internet for at least 48
21 hours before its consideration; or

22 “(2)(A) in the case of an amendment to such
23 rescission bill made in order by a rule, it is made
24 available to Members and the general public on the
25 Internet within one hour after the rule is filed; or

1 “(B) in the case of an amendment under an
2 open rule, it is made available to Members and the
3 general public on the Internet immediately after
4 being offered; in a format that is searchable and
5 sortable.

6 “(3) No amendment to an amendment to a re-
7 scission bill shall be in order unless germane to the
8 amendment to which it is offered.”.

9 **Subtitle C—Commission to**
10 **Eliminate Waste, Fraud, and Abuse**

11 **SEC. 420. SHORT TITLE.**

12 This Act may be cited as the “Commission on the
13 Accountability and Review of Federal Agencies Act of
14 2009”.

15 **SEC. 421. ESTABLISHMENT OF COMMISSION.**

16 (a) ESTABLISHMENT.—There is established the Com-
17 mission on the Accountability and Review of Federal
18 Agencies (hereafter in this Act referred to as the “Com-
19 mission”).

20 (b) MEMBERSHIP.—

21 (1) NUMBER AND APPOINTMENT.—

22 (A) IN GENERAL.—The Commission shall
23 be composed of 7 members, whom shall have
24 experience in finance and the analysis of Fed-
25 eral spending, appointed by the President after

1 consultation with the majority and minorities
2 leaders of the House of Representatives and the
3 Senate, as follows:

4 (i) One in consultation with the
5 Speaker of the House of Representatives.

6 (ii) One in consultation with the mi-
7 nority leader of the House of Representa-
8 tives.

9 (iii) One in consultation with the ma-
10 jority leader of the Senate.

11 (iv) One in consultation with the mi-
12 nority leader of the Senate.

13 (v) Three other members.

14 (B) EX OFFICIO MEMBERS.—The Presi-
15 dent may appoint up to 4 Members of Congress
16 (up to 2 from each House) as nonvoting ex offi-
17 cio members of the Commission.

18 (2) CHAIRMAN AND VICE-CHAIRMAN.—The
19 President shall appoint a chairman and vice-chair-
20 man from among the members of the Commission.

21 (c) PERIOD OF APPOINTMENT; VACANCIES.—Mem-
22 bers shall be appointed for the life of the Commission. Any
23 vacancy in the Commission shall not affect its powers, but
24 shall be filled in the same manner as the original appoint-
25 ment.

1 (d) INITIAL MEETING.—Not later than 30 days after
2 the date on which all members of the Commission have
3 been appointed, the Commission shall hold its first meet-
4 ing.

5 (e) MEETINGS.—The Commission shall meet at the
6 call of the chairman.

7 (f) QUORUM.—A majority of the members of the
8 Commission shall constitute a quorum, but a lesser num-
9 ber of members may hold hearings.

10 **SEC. 422. DUTIES OF THE COMMISSION.**

11 (a) DEFINITION.—The term “agency”, as used in
12 this section, has the meaning given the term “executive
13 agency” under section 105 of title 5, United States Code.

14 (b) IN GENERAL.—The Commission shall—

15 (1) evaluate all agencies and programs within
16 those agencies, using the criteria under subsection
17 (c); and

18 (2) submit to Congress—

19 (A) a plan with recommendations of the
20 agencies and programs that should be realigned
21 or eliminated; and

22 (B) proposed legislation to implement the
23 plan under subparagraph (A), but shall be lim-
24 ited in content to matters directly related to the
25 purpose of the Commission.

1 (c) CRITERIA.—

2 (1) COST EFFECTIVE.—Whether the agency or
3 program as carried out by the agency is cost effec-
4 tive and achieves its stated purpose of goals.

5 (2) MISSION.—The extent to which the pro-
6 gram has achieved or completed its intended pur-
7 pose.

8 (3) DUPLICATIVE.—The extent to which the
9 agency or program duplicates or conflicts with other
10 Federal agencies, State and local government, or the
11 private sector.

12 (4) COORDINATION WITH STATE AND LOCAL
13 GOVERNMENTS.—The extent to which the agency co-
14 ordinates effectively with State and local govern-
15 ments in performing the functions of the program.

16 (5) PERFORMANCE.—The extent to which the
17 program failed to meet its objectives or a national
18 priority or purpose

19 (6) MANAGEMENT STRUCTURE.—The extent to
20 which changes in the management structure of the
21 agency or program or its placement in the Executive
22 Branch are needed to improve the overall efficiency,
23 effectiveness, or accountability of Executive Branch
24 operations.

1 (7) NATIONAL NEEDS.—The extent to which
2 the program benefits special interest groups and
3 does not meet a national priority or purpose.

4 (d) REPORT.—

5 (1) IN GENERAL.—Not later than 2 years after
6 the date of enactment of this Act, the Commission
7 shall submit to the President and Congress a report
8 that includes—

9 (A) the plan described under subsection
10 (b)(1) with supporting documentation for all
11 recommendations; and

12 (B) the proposed legislation described
13 under subsection (b)(2).

14 (2) USE OF SAVINGS.—The proposed legislation
15 under paragraph (1)(B) shall provide that all funds
16 saved by the implementation of the plan under para-
17 graph (1)(A) shall be used for deficit reduction.

18 **SEC. 423. POWERS OF THE COMMISSION.**

19 (a) HEARINGS AND SUBPOENA POWER.—The Com-
20 mission or, at its direction, any subcommittee or member
21 of the Commission, may, for the purpose of carrying out
22 this Act—

23 (1) hold such hearings, sit and act at such
24 times and places, take such testimony, receive such

1 evidence, and administer such oaths as any member
2 of the Commission considers advisable;

3 (2) require, by subpoena or otherwise, the at-
4 tendance and testimony of such witnesses as any
5 member of the Commission considers advisable; and

6 (3) require, by subpoena or otherwise, the pro-
7 duction of such books, records, correspondence,
8 memoranda, papers, documents, tapes, and other
9 evidentiary materials relating to any matter under
10 investigation by the Commission.

11 (b) ENFORCEMENT OF SUBPOENAS.—The Commis-
12 sion may issue subpoenas as follows:

13 (1) ISSUANCE.—Subpoenas shall only be issued
14 pursuant to this section if approved by a vote of the
15 Commission, shall bear the signature of the chair-
16 man of the Commission, and shall be served by a
17 person or class of persons designated by the chair-
18 man for that purpose.

19 (2) ENFORCEMENT.—In the case of contumacy
20 or failure to obey a subpoena issued under sub-
21 section (a), the United States district court for the
22 judicial district in which the subpoenaed person re-
23 sides, is served, or may be found, may issue an order
24 requiring such person to appear at any designated
25 place to testify or to produce documentary or other

1 evidence. Any failure to obey the order of the court
2 may be punished by the court as a contempt of that
3 court.

4 (3) LIMITATION ON ISSUANCE AND ENFORCE-
5 MENT.—Subpoenas may only be issued pursuant to
6 this section to Federal agencies, Federal contractors,
7 or persons or entities receiving Federal funds, and
8 only for information or matter directly related to the
9 purpose of the Commission.

10 (c) INFORMATION FROM FEDERAL AGENCIES.—The
11 Commission may secure directly from any Federal depart-
12 ment or agency such information as the Commission con-
13 sidered necessary to carry out this Act. Upon request of
14 the chairman of the Commission, the head of such depart-
15 ment or agency shall furnish such information to the Com-
16 mission.

17 (d) POSTAL SERVICES.—The Commission may use
18 the United States mails in the same manner and under
19 the same conditions as other departments and agencies of
20 the Federal Government.

21 **SEC. 424. COMMISSION PERSONNEL MATTERS.**

22 (a) COMPENSATION OF MEMBERS.—

23 (1) NON-FEDERAL MEMBERS.—Except as pro-
24 vided under subsection (b), each member of the

1 Commission who is not an officer or employee of the
2 Federal Government shall not be compensated.

3 (2) FEDERAL OFFICERS OR EMPLOYEES.—All
4 members of the Commission who are officers or em-
5 ployees of the United States shall serve without com-
6 pensation in addition to that received for their serv-
7 ices as officers or employees of the United States.

8 (b) TRAVEL EXPENSES.—The members of the Com-
9 mission shall be allowed travel expenses, including per
10 diem in lieu of subsistence, at rates authorized for employ-
11 ees of agencies under subchapter I of chapter 57 of title
12 5, United States Code, while away from their homes or
13 regular places of business in the performance of services
14 for the Commission.

15 (c) STAFF.—

16 (1) IN GENERAL.—The chairman of the Com-
17 mission may, without regard to the civil service laws
18 and regulations, appoint and terminate an executive
19 director and such other additional personnel as may
20 be necessary to enable the Commission to perform
21 its duties. The employment of an executive director
22 shall be subject to confirmation by the Commission.

23 (2) COMPENSATION.—Upon the approval of the
24 chairman, the executive director may fix the com-
25 pensation of the executive director and other per-

1 sonnel without regard to chapter 51 and subchapter
2 III of chapter 53 of title 5, United States Code, re-
3 lating to classification of positions and General
4 Schedule pay rates, except that the rate of pay for
5 the executive director and other personnel may not
6 exceed the maximum rate payable for a position at
7 GS-15 of the General Schedule under section 5332
8 of such title.

9 (3) PERSONNEL AS FEDERAL EMPLOYEES.—

10 (A) IN GENERAL.—The executive director
11 and any personnel of the Commission who are
12 employees shall be employees under section
13 2105 of title 5, United States Code, for pur-
14 poses of chapters 63, 81, 83, 84, 85, 87, 89,
15 and 90 of that title.

16 (B) MEMBERS OF COMMISSION.—Subpara-
17 graph (A) shall not be construed to apply to
18 members of the Commission.

19 (d) DETAIL OF GOVERNMENT EMPLOYEES.—Any
20 Federal Government employee may be detailed to the
21 Commission without reimbursement, and such detail shall
22 be without interruption or loss of civil service status or
23 privilege.

24 (e) PROCUREMENT OF TEMPORARY AND INTERMIT-
25 TENT SERVICES.—The chairman of the Commission may

1 procure temporary and intermittent services under section
2 3109(b) of title 5, United States Code, at rates for individ-
3 uals which do not exceed the daily equivalent of the annual
4 rate of basic pay prescribed for level V of the Executive
5 Schedule under section 5316 of such title.

6 **SEC. 425. TERMINATION OF THE COMMISSION.**

7 The Commission shall terminate 90 days after the
8 date on which the Commission submits the report under
9 section 3(d).

10 **SEC. 426. CONGRESSIONAL CONSIDERATION OF REFORM**
11 **PROPOSALS.**

12 (a) DEFINITIONS.—In this section—

13 (1) the term “implementation bill” means only
14 a bill which is introduced as provided under sub-
15 section (b), and contains the proposed legislation in-
16 cluded in the report submitted to Congress under
17 section 3, without modification; and

18 (2) the term “calendar day” means a calendar
19 day other than 1 on which either House is not in
20 session because of an adjournment of more than 3
21 days to a date certain.

22 (b) INTRODUCTION; REFERRAL; AND REPORT OR
23 DISCHARGE.—

24 (1) INTRODUCTION.—On the first calendar day
25 on which both Houses are in session, on or imme-

1 diately following the date on which the report is sub-
2 mitted to Congress under section 3, a single imple-
3 mentation bill shall be introduced (by request)—

4 (A) in the Senate by the majority leader of
5 the Senate, for himself and the minority leader
6 of the Senate, or by Members of the Senate
7 designated by the majority leader and minority
8 leader of the Senate; and

9 (B) in the House of Representatives by the
10 majority leader of the House of Representa-
11 tives, for himself and the minority leader of the
12 House of Representatives, or by Members of the
13 House of Representatives designated by the
14 Speaker and minority leader of the House of
15 Representatives.

16 (2) REFERRAL.—The implementation bills in-
17 troduced under paragraph (1) shall be referred to
18 any appropriate committee of jurisdiction in the
19 Senate and any appropriate committee of jurisdic-
20 tion in the House of Representatives. A committee
21 to which an implementation bill is referred under
22 this paragraph may report such bill to the respective
23 House without substantive revision.

24 (3) REPORT OR DISCHARGE.—If a committee to
25 which an implementation bill is referred has not re-

1 ported such bill by the end of the 30th calendar day,
2 excepting Saturdays and Sundays, after the date of
3 the introduction of such bill, such committee shall be
4 immediately discharged from further consideration
5 of such bill, and upon being reported or discharged
6 from the committee, such bill shall be placed on the
7 appropriate calendar.

8 (c) FLOOR CONSIDERATION.—

9 (1) IN GENERAL.—When the committee to
10 which an implementation bill is referred has re-
11 ported, or has been discharged under subsection
12 (b)(3), it is at any time thereafter in order (even
13 though a previous motion to the same effect has
14 been disagreed to) for any Member of the respective
15 House to move to proceed to the consideration of the
16 implementation bill, and all points of order against
17 such legislation and against its consideration) are
18 waived, except those arising under sections 302(f)
19 and 311 of the Congressional Budget Act of 1974.
20 The motion is highly privileged in the House of Rep-
21 resentatives and is privileged in the Senate and is
22 not debatable. The motion is not subject to amend-
23 ment, or to a motion to postpone, or motion to pro-
24 ceed to the consideration of other business. A motion
25 to reconsider the vote by which the motion is agreed

1 to or disagreed to shall not be in order. If a motion
2 to proceed to the consideration of the implementa-
3 tion bill is agreed to, it shall remain the unfinished
4 business of the respective House until disposed of.

5 (2) COST ESTIMATE.—An implementation bill
6 may not be considered pursuant to paragraph (1)
7 unless a cost estimate has been prepared for such
8 bill by the Congressional Budget Office and been
9 publicly available for 72 hours prior to consider-
10 ation.

11 (3) AMENDMENTS.—An implementation bill
12 may not be amended in the Senate or the House of
13 Representatives.

14 (4) DEBATE.—Debate on the implementation
15 bill, and on all debatable motions and appeals in
16 connection therewith, shall be limited to not more
17 than 10 hours, which shall be divided equally be-
18 tween those favoring and those opposing the resolu-
19 tion. A motion further to limit debate is in order and
20 not debatable. An amendment to, or a motion to
21 postpone, or a motion to proceed to the consider-
22 ation of other business, or a motion to recommit the
23 implementation bill is not in order. A motion to re-
24 consider the vote by which the implementation bill is
25 agreed to or disagreed to is not in order.

1 (5) VOTE ON FINAL PASSAGE.—Immediately
 2 following the conclusion of the debate on an imple-
 3 mentation bill, and a single quorum call at the con-
 4 clusion of the debate if requested in accordance with
 5 the rules of the appropriate House, the vote on final
 6 passage of the implementation bill shall occur.

7 (6) RULINGS OF THE CHAIR ON PROCEDURE.—
 8 Appeals from the decisions of the Chair relating to
 9 the application of the rules of the Senate or the
 10 House of Representatives, as the case may be, to the
 11 procedure relating to an implementation bill shall be
 12 decided without debate.

13 (d) COORDINATION WITH ACTION BY OTHER
 14 HOUSE.—If, before the passage by 1 House of an imple-
 15 mentation bill of that House, that House receives from
 16 the other House an implementation bill, then the following
 17 procedures shall apply:

18 (1) NON-REFERRAL.—The implementation bill
 19 of the other House shall not be referred to a com-
 20 mittee.

21 (2) VOTE ON BILL OF OTHER HOUSE.—With
 22 respect to an implementation bill of the House re-
 23 ceiving the implementation bill—

1 (A) the procedure in that House shall be
2 the same as if no implementation bill had been
3 received from the other House; but

4 (B) the vote on final passage shall be on
5 the implementation bill of the other House.

6 (e) RULES OF THE SENATE AND THE HOUSE OF
7 REPRESENTATIVES.—This section is enacted by Con-
8 gress—

9 (1) as an exercise of the rulemaking power of
10 the Senate and House of Representatives, respec-
11 tively, and as such it is deemed a part of the rules
12 of each House, respectively, but applicable only with
13 respect to the procedure to be followed in that
14 House in the case of an implementation bill de-
15 scribed in subsection (a), and it supersedes other
16 rules only to the extent that it is inconsistent with
17 such rules; and

18 (2) with full recognition of the constitutional
19 right of either House to change the rules (so far as
20 relating to the procedure of that House) at any time,
21 in the same manner, and to the same extent as in
22 the case of any other rule of that House.

1 **SEC. 427. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated such sums
3 as may be necessary for each of fiscal years 2010 through
4 2013 for carrying out this Act.

5 **TITLE V—TRANSPARENCY IN**
6 **BUDGETING**

7 **SEC. 500. SHORT TITLE.**

8 This title may be cited as the “Transparency in
9 Budgeting Act of 2009”.

10 **Subtitle A—Accrual Funding of**
11 **Pensions and Retirement Pay**
12 **for Federal Employees and Uni-**
13 **formed Services Personnel**

14 **SEC. 501. CIVIL SERVICE RETIREMENT SYSTEM.**

15 (a) CIVIL SERVICE RETIREMENT AND DISABILITY
16 FUND.—Chapter 83 of title 5, United States Code, is
17 amended—

18 (1) in section 8331—

19 (A) in paragraph (17)—

20 (i) by striking “normal cost” and in-
21 serting “normal cost percentage”; and

22 (ii) by inserting “and standards
23 (using dynamic assumptions)” after “prac-
24 tice”;

25 (B) by amending paragraph (18) to read
26 as follows:

1 “(18) ‘Fund balance’ means the current net as-
2 sets of the Fund available for payment of benefits,
3 as determined by the Office in accordance with ap-
4 propriate accounting standards, but does not include
5 any amount attributable to—

6 “(A) the Federal Employees’ Retirement
7 System; or

8 “(B) contributions made under the Federal
9 Employees’ Retirement Contribution Temporary
10 Adjustment Act of 1983 by or on behalf of any
11 individual who became subject to the Federal
12 Employees’ Retirement System;”

13 (C) by amending paragraph (19) to read
14 as follows:

15 “(19) ‘accrued liability’ means the estimated ex-
16 cess of the present value of all benefits payable from
17 the Fund to employees and Members, and former
18 employees and Members, subject to this subchapter,
19 and their survivors, over the present value of deduc-
20 tions to be withheld from the future basic pay of em-
21 ployees and Members currently subject to this sub-
22 chapter and of future agency contributions to be
23 made in their behalf;”

24 (D) in paragraph (27) by striking “and”
25 at the end;

1 (E) in paragraph (28) by striking the pe-
2 riod at the end and inserting a semicolon; and

3 (F) by adding at the end the following
4 paragraphs:

5 “(29) ‘dynamic assumptions’ means economic
6 assumptions that are used in determining actuarial
7 costs and liabilities of a retirement system and in
8 anticipating the effects of long-term future—

9 “(A) investment yields;

10 “(B) increases in rates of basic pay; and

11 “(C) rates of price inflation; and

12 “(30) ‘unfunded liability’ means the estimated
13 excess of—

14 “(A) the actuarial present value of all fu-
15 ture benefits payable from the Fund under this
16 subchapter based on the service of current or
17 former employees or Members, over

18 “(B) the sum of—

19 “(i) the actuarial present value of de-
20 ductions to be withheld from the future
21 basic pay of employees and Members cur-
22 rently subject to this chapter pursuant to
23 section 8334;

24 “(ii) the actuarial present value of the
25 future contributions to be made pursuant

1 to section 8334 with respect to employees
 2 and Members currently subject to this sub-
 3 chapter;

4 “(iii) the Fund balance, as defined in
 5 paragraph (18), as of the date the un-
 6 funded liability is determined; and

7 “(iv) any other appropriate amount,
 8 as determined by the Office of Personnel
 9 Management in accordance with generally
 10 accepted actuarial practices and prin-
 11 ciples.”;

12 (2) in section 8334—

13 (A) in subsection (a)(1)—

14 (i) by striking the last two sentences;

15 (ii) by redesignating that subsection,
 16 as so amended, as (a)(1)(A); and

17 (iii) by adding at the end the fol-
 18 lowing new subparagraphs:

19 “(B) Except as provided in subparagraph (E), each
 20 employing agency having any employees or Members sub-
 21 ject to subparagraph (A) shall contribute from amounts
 22 available for salaries and expenses an amount equal to the
 23 sum of—

24 “(i) the product of—

1 “(I) the normal cost percentage, as deter-
2 mined for employees (other than employees cov-
3 ered by clause (ii)), multiplied by

4 “(II) the aggregate amount of basic pay
5 payable by the agency, for the period involved,
6 to employees (under subclause (I)) who are
7 within such agency; and

8 “(ii) the product of—

9 “(I) the normal cost percentage, as deter-
10 mined for Members, Congressional employees,
11 law enforcement officers, firefighters, air traffic
12 controllers, bankruptcy judges, Court of Fed-
13 eral Claims judges, United States magistrates,
14 judges of the United States Court of Appeals
15 for the Armed Forces, members of the Capitol
16 Police, nuclear materials couriers, and members
17 of the Supreme Court Police, multiplied by

18 “(II) the aggregate amount of basic pay
19 payable by the agency for the period involved,
20 to employees and Members (under subclause
21 (I)) who are within such agency.

22 “(C) In determining the normal cost percentage to
23 be applied under subparagraph (B), amounts provided for
24 under subparagraph (A) shall be taken into account.

1 “(D) Contributions under this paragraph shall be
2 paid—

3 “(i) in the case of law enforcement officers,
4 firefighters, air traffic controllers, bankruptcy
5 judges, Court of Federal Claims judges, United
6 States magistrates, judges of the United States
7 Court of Appeals for the Armed Forces, members of
8 the Supreme Court Police, nuclear materials couriers
9 and other employees, from the appropriations or
10 fund used to pay such law enforcement officers, fire-
11 fighters, air traffic controllers, bankruptcy judges,
12 Court of Federal Claims judges, United States mag-
13 istrates, judges of the United States Court of Ap-
14 peals for the Armed Forces, members of the Su-
15 preme Court Police, nuclear materials couriers and
16 other employees, respectively;

17 “(ii) in the case of elected officials, from an ap-
18 propriation or fund available for payment of other
19 salaries of the same office or establishment; and

20 “(iii) in the case of employees of the legislative
21 branch paid by the Clerk of the House of Represent-
22 atives, from the contingent fund of the House of
23 Representatives.

24 “(E) In the case of the United States Postal Service,
25 the Metropolitan Washington Airports Authority, and the

1 government of the District of Columbia, an amount equal
 2 to that withheld under subparagraph (A) shall be contrib-
 3 uted from the appropriation or fund used to pay the em-
 4 ployee.”;

5 (B) in subsection (k)—

6 (i) in paragraph (1)—

7 (I) in subparagraph (A) by strik-
 8 ing “the first sentence of subsection
 9 (a)(1) of this section” and inserting
 10 “subsection (a)(1)(A)”; and

11 (II) by amending subparagraph
 12 (B) to read as follows:

13 “(B) the amount of the contribution under sub-
 14 section (a)(1)(B) shall be the amount contributed
 15 under such subsection if this subsection had not
 16 been enacted.”

17 (ii) in paragraph (2)(C)(iii) by strik-
 18 ing “the first sentence of subsection
 19 (a)(1)” and inserting “subsection
 20 (a)(1)(A)”; and

21 (3) in section 8348—

22 (A) by repealing subsection (f);

23 (B) by amending subsection (g) to read as
 24 follows:

1 “(g)(1)(A) Not later than June 30, 2011, the Office
2 of the Actuary shall determine the unfunded liability of
3 the Fund, as of September 30, 2010, attributable to bene-
4 fits payable under this chapter and make recommenda-
5 tions regarding its liquidation. After considering such rec-
6 ommendations, the Office shall establish an amortization
7 schedule, including a series of annual installments com-
8 mencing October 1, 2011, which provides for the liquida-
9 tion of such liability by October 1, 2049.

10 “(B) The Office shall redetermine the unfunded li-
11 ability of the Fund as of the close of the fiscal year, for
12 each fiscal year beginning after September 30, 2010,
13 through the fiscal year ending September 30, 2044, and
14 shall establish a new amortization schedule, including a
15 series of annual installments commencing on October 1
16 of the second subsequent fiscal year, which provides for
17 the liquidation of such liability by October 1, 2049.

18 “(C) The Office shall redetermine the unfunded li-
19 ability of the Fund as of the close of the fiscal year for
20 each fiscal year beginning after September 30, 2044, and
21 shall establish a new amortization schedule, including a
22 series of annual installments commencing on October 1
23 of the second subsequent fiscal year, which provides for
24 the liquidation of such liability over five years.

1 “(D) Amortization schedules established under this
2 paragraph shall be set in accordance with generally accept-
3 ed actuarial practices and principles, with interest com-
4 puted at the rate used in the most recent valuation of the
5 Civil Service Retirement System.

6 “(2) At the beginning of each fiscal year, beginning
7 on October 1, 2011, the Office shall notify the Secretary
8 of the Treasury of the amount of the first installment
9 under the most recent amortization schedule established
10 under paragraph (1). The Secretary shall credit that
11 amount to the Fund, as a Government contribution, out
12 of any money in the Treasury of the United States not
13 otherwise appropriated.

14 “(3) For the purpose of carrying out paragraph (1)
15 with respect to any fiscal year, the Office may—

16 “(A) require the Board of Actuaries of the Civil
17 Service Retirement System to make actuarial deter-
18 minations and valuations, make recommendations,
19 and maintain records in accordance with section
20 8347(f); and

21 “(B) use the latest actuarial determinations
22 and valuations made by such Board of Actuaries.”;

23 (C) in subsections (h), (i), and (m) by
24 striking “unfunded” and inserting “accrued”
25 each place it appears; and

1 (D) by adding at the end the following new
2 subsection:

3 “(n) Under regulations prescribed by the Office, the
4 head of an agency may request reconsideration of any
5 amount determined to be payable with respect to such
6 agency under section 8334(a)(1)(B)–(D). Any such re-
7 quest shall be referred to the Board of Actuaries of the
8 Civil Service Retirement System. The Board of Actuaries
9 shall review the computations of the Office and may make
10 any adjustment with respect to any such amount which
11 the Board determines appropriate. A determination by the
12 Board of Actuaries under this subsection shall be final.”.

13 (b) GOVERNMENT CONTRIBUTIONS.—Section 8423
14 of title 5, United States Code, is amended—

15 (1) in subsection (a)(2) by striking “section
16 8422” and inserting “section 8422(a)”; and

17 (2) in subsection (b)(2) by striking “equal an-
18 nual installments” and inserting “annual install-
19 ments set in accordance with generally accepted ac-
20 tuarial practices and principles”.

21 **SEC. 502. CENTRAL INTELLIGENCE AGENCY RETIREMENT**
22 **AND DISABILITY SYSTEM.**

23 (a) Section 101 of the Central Intelligence Agency
24 Retirement Act (50 U.S.C. 2001) is amended—

25 (1) in paragraph (5), to read as follows:

1 “(5) UNFUNDED LIABILITY.—The term ‘un-
2 funded liability’ means the estimated excess of—

3 “(A) the actuarial present value of all fu-
4 ture benefits payable from the Fund under title
5 II of this Act based on the service of current
6 or former participants, over

7 “(B) the sum of—

8 “(i) the actuarial present value of de-
9 ductions to be withheld from the future
10 basic pay of participants currently subject
11 to title II of this Act pursuant to section
12 211;

13 “(ii) the actuarial present value of the
14 future contributions to be made pursuant
15 to section 211 with respect to participants
16 currently subject to title II of this Act;

17 “(iii) the Fund balance, as defined in
18 paragraph (4), as of the date the unfunded
19 liability is determined; and

20 “(iv) any other appropriate amount,
21 as determined by the Director in accord-
22 ance with generally accepted actuarial
23 practices and principles.”;

24 (2) in paragraph (6)—

1 (A) by striking “‘normal cost’” and in-
2 serting “‘normal cost percentage’”; and

3 (B) by inserting “and standards (using dy-
4 namic assumptions)” after “practice”; and

5 (3) by adding at the end the following para-
6 graph:

7 “(10) DYNAMIC ASSUMPTIONS.—The term ‘dy-
8 namic assumptions’ means economic assumptions
9 that are used in determining actuarial costs and li-
10 abilities of a retirement system and in anticipating
11 the effects of long-term future—

12 “(A) investment yields;

13 “(B) increases in rates of basic pay; and

14 “(C) rates of price inflation.”.

15 (b) Section 202 of such Act (50 U.S.C. 2012) is
16 amended by adding at the end the following: “The Fund
17 is appropriated for the payment of benefits as provided
18 by this title.”.

19 (c) Section 211(a)(2) of such Act (50 U.S.C.
20 2021(a)(2)) is amended to read as follows:

21 “(2) AGENCY CONTRIBUTIONS.—The Agency
22 shall contribute to the Fund the amount computed
23 in a manner similar to that used under section
24 8334(a) of title 5, United States Code, pursuant to
25 determinations of the normal cost percentage of the

1 Central Intelligence Agency Retirement and Dis-
2 ability System by the Director. Contributions under
3 this paragraph shall be paid from amounts available
4 for salaries and expenses.”.

5 (d) Section 261 of such Act (50 U.S.C. 2091) is
6 amended—

7 (1) by striking subsections (c), (d), and (e); and

8 (2) by inserting after subsection (b) the fol-
9 lowing new subsections:

10 “(c)(1) Not later than June 30, 2011, the Director
11 shall cause to be made actuarial valuations of the Fund
12 that determine the unfunded liability of the Fund, as of
13 September 30, 2010, attributable to benefits payable
14 under this title and make recommendations regarding its
15 liquidation. After considering such recommendations, the
16 Director shall establish an amortization schedule, includ-
17 ing a series of annual installments commencing October
18 1, 2011, which provides for the liquidation of such liability
19 by October 1, 2049.

20 “(2) The Director shall redetermine the unfunded li-
21 ability of the Fund as of the close of the fiscal year, for
22 each fiscal year beginning after September 30, 2010,
23 through the fiscal year ending September 30, 2044, and
24 shall establish a new amortization schedule, including a
25 series of annual installments commencing on October 1

1 of the second subsequent fiscal year, which provides for
2 the liquidation of such liability by October 1, 2049.

3 “(3) The Director shall redetermine the unfunded li-
4 ability of the Fund as of the close of the fiscal year for
5 each fiscal year beginning after September 30, 2044, and
6 shall establish a new amortization schedule, including a
7 series of annual installments commencing on October 1
8 of the second subsequent fiscal year, which provides for
9 the liquidation of such liability over five years.

10 “(4) Amortization schedules established under this
11 subsection shall be set in accordance with generally accept-
12 ed actuarial practices and principles, with interest com-
13 puted at the rate used in the most recent valuation of the
14 Civil Service Retirement and Disability System.

15 “(d) At the beginning of each fiscal year, beginning
16 on October 1, 2011, the Director shall notify the Secretary
17 of the Treasury of the amount of the first installment
18 under the most recent amortization schedule established
19 under subsection (c). The Secretary shall credit that
20 amount to the Fund, as a Government contribution, out
21 of any money in the Treasury of the United States not
22 otherwise appropriated. For the purposes of section 504
23 of the National Security Act of 1947, this amount shall
24 be considered authorized.”.

1 (e)(1) Title III of such Act (50 U.S.C. 2151 et seq.)
2 is amended by adding at the end the following new section:

3 **“SEC. 308. FULL FUNDING OF RETIREE COSTS FOR EM-**
4 **PLOYEES DESIGNATED UNDER SECTION 302.**

5 “(a) In addition to other government contributions
6 required by law, the Agency shall contribute to the Civil
7 Service Retirement and Disability Fund (hereinafter in
8 this section referred to as the ‘Fund’) amounts calculated
9 in accordance with section 8423 of title 5, United States
10 Code, based on the projected number of employees to be
11 designated pursuant to section 302 of this Act. In addi-
12 tion, the Agency, in a manner similar to that established
13 for employee contributions to the Fund by section 8422
14 of title 5, United States Code, will contribute an amount
15 equal to the difference between that contributed by the
16 number of employees projected to be designated under sec-
17 tion 302 and the amounts that are actually being deducted
18 and contributed from the basic pay of an equal number
19 of employees pursuant to section 8422. The amounts of
20 the Agency’s contributions under this subsection shall be
21 determined by the Director of the Office of Personnel
22 Management, in consultation with the Director, and shall
23 be paid by the Agency from funds available for salaries
24 and expenses. Agency employees designated pursuant to
25 section 302 of this Act shall, commencing with such des-

1 ignation, have deducted from their basic pay the full
2 amount required by section 8422 of title 5, United States
3 Code, and such deductions shall be contributed to the
4 Fund.

5 “(b)(1) The Director of the Office of Personnel Man-
6 agement, in consultation with the Director, shall deter-
7 mine the total amount of unpaid contributions (govern-
8 ment and employee contributions) and interest attrib-
9 utable to the number of individuals employed with the
10 Agency on September 30, 2011, who are projected to be
11 designated under section 302 of this Act, but are not yet
12 designated under that section as of that date. The amount
13 shall be referred to as the section 302 unfunded liability.

14 “(2) Not later than June 30, 2012, the Director of
15 the Office of Personnel Management, in consultation with
16 the Director, shall establish an amortization schedule, set-
17 ting forth a series of annual installments commencing
18 September 30, 2012, which provides for the liquidation of
19 the section 302 unfunded liability by September 30, 2019.

20 “(3) At the end of each fiscal year, beginning on Sep-
21 tember 30, 2012, the Director shall notify the Secretary
22 of the Treasury of the amount of the annual installment
23 under the amortization schedule established under para-
24 graph (2) of this subsection. Before closing the accounts
25 for that fiscal year, the Secretary shall credit that amount

1 to the Fund, out of any money in the Treasury of the
2 United States not otherwise appropriated.

3 “(c) Amounts paid by the Agency pursuant to this
4 section are deemed to be specifically authorized by the
5 Congress for the purposes of section 504 of the National
6 Security Act of 1947.”.

7 (2) The table of contents of such Act is amended by
8 inserting after the item relating to section 307 the fol-
9 lowing new item:

“Sec. 308. Full funding of retiree costs for employees designated under section
302.”.

10 **SEC. 503. FOREIGN SERVICE RETIREMENT AND DISABILITY**
11 **SYSTEM.**

12 (a) Chapter 8 of title I of the Foreign Service Act
13 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
14 94 Stat. 2071, as amended, is further amended in section
15 804 (22 U.S.C. 4044)—

16 (1) by amending paragraph (5) to read as fol-
17 lows:

18 “(5) ‘normal cost percentage’ means the entry-
19 age normal cost computed in accordance with gen-
20 erally accepted actuarial practice and standards
21 (using dynamic assumptions) and expressed as a
22 level percentage of aggregate basic pay.”;

23 (2) by amending paragraph (14) to read as fol-
24 lows:

1 “(14) ‘unfunded liability’ means the estimated
2 excess of—

3 “(A) the actuarial present value of all fu-
4 ture benefits payable from the Fund under this
5 part based on the service of current or former
6 participants, over

7 “(B) the sum of—

8 “(i) the actuarial present value of de-
9 ductions to be withheld from the future
10 basic pay of participants currently subject
11 to this part pursuant to section 805;

12 “(ii) the actuarial present value of the
13 future contributions to be made pursuant
14 to section 805 with respect to participants
15 currently subject to this part;

16 “(iii) the Fund balance, as defined in
17 paragraph (7), as of the date the unfunded
18 liability is determined, excluding any
19 amount attributable to the Foreign Service
20 Pension System, or contributions made
21 under the Federal Employees’ Retirement
22 Contribution Temporary Adjustment Act
23 of 1983 by or on behalf of any individual
24 who became subject to the Foreign Service
25 Pension System; and

1 “(iv) any other appropriate amount,
 2 as determined by the Secretary of the
 3 Treasury in accordance with generally ac-
 4 cepted actuarial practices and principles.”

5 (3)(A) by striking the period at the end of
 6 paragraph (15) and inserting “; and”; and

7 (B) by adding at the end the following new
 8 paragraph:

9 “(16) ‘dynamic assumptions’ means economic
 10 assumptions that are used in determining actuarial
 11 costs and liabilities of a retirement system and in
 12 anticipating the effects of long-term future—

13 “(A) investment yields;

14 “(B) increases in rates of basic pay; and

15 “(C) rates of price inflation.”.

16 (b) Chapter 8 of title I of the Foreign Service Act
 17 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
 18 94 Stat. 2071, as amended, is further amended in section
 19 852 (22 U.S.C. 4071a)—

20 (1) in paragraph (4)—

21 (A) by striking “normal cost” and insert-
 22 ing “normal cost percentage”; and

23 (B) by striking “by the Secretary of
 24 State”;

25 (2) in paragraph (7)—

1 (A) by striking “supplemental” and insert-
2 ing “unfunded”;

3 (B) in subparagraph (B)(i) by striking
4 “(I)” and “and (II) contributions for past civil-
5 ian and military service”; and

6 (C) in subparagraph (B)(ii) by inserting
7 before the semicolon “with respect to partici-
8 pants currently subject to this part”; and

9 (3)(A) at the end of paragraph (8) by striking
10 “and”;

11 (B) at the end of paragraph (9) by striking the
12 period and inserting “; and”; and

13 (C) by adding at the end the following new
14 paragraph:

15 “(10) ‘dynamic assumptions’ means economic
16 assumptions that are used in determining actuarial
17 costs and liabilities of a retirement system and in
18 anticipating the effects of long-term future—

19 “(A) investment yields;

20 “(B) increases in rates of basic pay; and

21 “(C) rates of price inflation.”.

22 (c) Chapter 8 of title I of the Foreign Service Act
23 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
24 94 Stat. 2071, as amended, is further amended in section
25 805(a)(1) (22 U.S.C. 4045(a))—

1 (1) by striking the second sentence;

2 (2) (by redesignating that subsection, as so
3 amended, as (a)(1)(A);

4 (3) by redesignating the last sentence of that
5 subsection, as so amended as (a)(1)(C);

6 (4) by inserting after subparagraph (A) the fol-
7 lowing new subparagraph:

8 “(B) Each employing agency having par-
9 ticipants shall contribute to the Fund the
10 amount computed in a manner similar to that
11 used under section 8334(a) of title 5, United
12 States Code, pursuant to determinations of the
13 normal cost percentage of the Foreign Service
14 Retirement and Disability System. Contribu-
15 tions under this subparagraph shall be paid
16 from the appropriations or fund used for pay-
17 ment of the salary of the participant.”;

18 (5) in subsection (a)(2)(A) by striking “An
19 equal amount shall be contributed by the Depart-
20 ment” and inserting in its place “Each employing
21 agency having participants shall contribute to the
22 Fund the amount computed in a manner similar to
23 that used under section 8334(a) of title 5, United
24 States Code, pursuant to determinations of the nor-

1 mal cost percentage of the Foreign Service Retirement and Disability System”; and

2
3 (6) in subsection (a)(2)(B) by striking “An
4 equal amount shall be contributed by the Department” and inserting in its place “Each employing
5 agency having participants shall contribute to the
6 Fund from amounts available for salaries and ex-
7 penses the amount computed in a manner similar to
8 that used under section 8334(a) of title 5, United
9 States Code, pursuant to determinations of the nor-
10 mal cost percentage of the Foreign Service Retirement and Disability System”.

11
12 (d) Chapter 8 of title I of the Foreign Service Act
13 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
14 94 Stat. 2071, as amended, is further amended by repeal-
15 ing sections 821 and 822 (22 U.S.C. 4061 and 4062) and
16 by adding the following new section:

17
18 **“§ 821. Unfunded liability**

19 “(a)(1) Not later than June 30, 2011, the Secretary
20 of State shall cause to be made actuarial valuations of the
21 Fund that determine the unfunded liability of the Fund,
22 as of September 30, 2010, attributable to benefits payable
23 under this subchapter and make recommendations regard-
24 ing its liquidation. After considering such recommenda-
25 tions, the Secretary of State shall establish an amortiza-

tion schedule, including a series of annual installments commencing October 1, 2010, which provides for the liquidation of such liability by October 1, 2049.

“(2) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2010, through the fiscal year ending September 30, 2044, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2049.

“(3) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2044, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

“(4) Amortization schedules established under this subsection shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Foreign Service Retirement and Disability System.

“(b) At the beginning of each fiscal year, beginning on October 1, 2011, the Secretary of State shall notify

1 the Secretary of the Treasury of the amount of the first
2 installment under the most recent amortization schedule
3 established under paragraph (1). The Secretary of the
4 Treasury shall credit that amount to the Fund, as a Gov-
5 ernment contribution, out of any money in the Treasury
6 of the United States not otherwise appropriated.”.

7 (e) Chapter 8 of title I of the Foreign Service Act
8 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
9 94 Stat. 2071, as amended, is further amended in section
10 857(b)(1) (22 U.S.C. 4071f(b)(1)) by striking “equal an-
11 nual installments” and inserting “annual installments set
12 in accordance with generally accepted actuarial practices
13 and principles”.

14 (f) Chapter 8 of title I of the Foreign Service Act
15 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
16 94 Stat. 2071, as amended, is further amended in section
17 859 (22 U.S.C. 4071h) by adding “percentage” after
18 “normal cost”.

19 (g) Chapter 8 of title I of the Foreign Service Act
20 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
21 94 Stat. 2071, as amended, is further amended in section
22 802 (22 U.S.C. 4042) by adding at the end the following:
23 “The Fund is appropriated for the payment of benefits
24 as provided by this subchapter.”.

1 (h) Chapter 8 of title I of the Foreign Service Act
2 of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.)
3 94 Stat. 2071, as amended, is further amended in section
4 818 (22 U.S.C. 4058) by striking “System” and inserting
5 “Systems under this subchapter”.

6 **SEC. 504. PUBLIC HEALTH SERVICE COMMISSIONED CORPS**
7 **RETIREMENT SYSTEM.**

8 (a) IN GENERAL.—Title II of the Public Health Serv-
9 ice Act (42 U.S.C. 202 et seq.) is amended by adding at
10 the end the following new part:

11 “PART C—PUBLIC HEALTH SERVICE COMMISSIONED
12 CORPS RETIREMENT SYSTEM

13 “ESTABLISHMENT AND PURPOSE OF FUND

14 “SEC. 251. There is established on the books of the
15 Treasury a fund to be known as the Public Health Service
16 Commissioned Corps Retirement Fund (hereinafter in this
17 part referred to as the ‘Fund’), which shall be adminis-
18 tered by the Secretary. The Fund shall be used for the
19 accumulation of funds in order to finance on an actuarially
20 sound basis liabilities of the Department of Health and
21 Human Services for benefits payable on account of retire-
22 ment, disability, or death to commissioned officers of the
23 Public Health Service and to their survivors pursuant to
24 part A of this title.

1 “ASSETS OF THE FUND

2 “SEC. 252. There shall be deposited into the Fund
3 the following, which shall constitute the assets of the
4 Fund:

5 “(1) Amounts paid into the Fund under section
6 255.

7 “(2) Any return on investment of the assets of
8 the Fund.

9 “(3) Amounts transferred into the Fund pursu-
10 ant to section 504(c) of the Spending, Deficit, and
11 Debt Control Act of 2009.

12 “PAYMENT FROM THE FUND

13 “SEC. 253. There shall be paid from the Fund bene-
14 fits payable on account of retirement, disability, or death
15 to commissioned officers of the Public Health Service and
16 to their survivors pursuant to part A of this title.

17 “DETERMINATION OF CONTRIBUTIONS TO THE FUND

18 “SEC. 254. (a)(1) Not later than June 30, 2011, the
19 Secretary shall determine the unfunded liability of the
20 Fund attributable to service performed as of September
21 30, 2010, which is ‘active service’ for the purpose of sec-
22 tion 212. The Secretary shall establish an amortization
23 schedule, including a series of annual installments com-
24 mencing October 1, 2011, which provides for the liquida-
25 tion of such liability by October 1, 2049.

1 “(2) The Secretary shall redetermine the unfunded
2 liability of the Fund as of the close of the fiscal year, for
3 each fiscal year beginning after September 30, 2010,
4 through the fiscal year ending September 30, 2044, and
5 shall establish a new amortization schedule, including a
6 series of annual installments commencing on October 1
7 of the second subsequent fiscal year, which provides for
8 the liquidation of such liability by October 1, 2049.

9 “(3) The Secretary shall redetermine the unfunded
10 liability of the Fund as of the close of the fiscal year for
11 each fiscal year beginning after September 30, 2044, and
12 shall establish a new amortization schedule, including a
13 series of annual installments commencing on October 1
14 of the second subsequent fiscal year, which provides for
15 the liquidation of such liability over five years.

16 “(b) The Secretary shall determine each fiscal year,
17 in sufficient time for inclusion in the budget request for
18 the following fiscal year, the total amount of Department
19 of Health and Human Services contributions to be made
20 to the Fund during the fiscal year under section 255(a).
21 That amount shall be the sum of—

22 “(1) the product of—

23 “(A) the current estimate of the value of
24 the single level percentage of basic pay to be de-
25 termined under subsection (c)(1) at the time of

1 the most recent actuarial valuation under sub-
2 section (c); and

3 “(B) the total amount of basic pay ex-
4 pected to be paid during that fiscal year to
5 commissioned officers of the Public Health
6 Service on active duty (other than active duty
7 for training); and

8 “(2) the product of—

9 “(A) the current estimate of the value of
10 the single level percentage of basic pay and of
11 compensation (paid pursuant to section 206 of
12 title 37, United States Code) to be determined
13 under subsection (c)(2) at the time of the most
14 recent actuarial valuation under subsection (c);
15 and

16 “(B) the total amount of basic pay and of
17 compensation (paid pursuant to section 206 of
18 title 37, United States Code) expected to be
19 paid during the fiscal year to commissioned of-
20 ficers of the Reserve Corps of the Public Health
21 Service (other than officers on full-time duty
22 other than for training) who are not otherwise
23 described in subparagraph (A).

24 “(c) Not less often than every four years thereafter
25 (or by the fiscal year end prior to the effective date of

1 any statutory change affecting benefits payable on account
2 of retirement, disability, or death to commissioned officers
3 or their survivors), the Secretary shall carry out an actu-
4 arial valuation of benefits payable on account of retire-
5 ment, disability, or death to commissioned officers of the
6 Public Health Service and to their survivors pursuant to
7 part A of this title. Each such actuarial valuation shall
8 be signed by an enrolled Actuary and shall include—

9 “(1) a determination (using the aggregate
10 entry-age normal cost method) of a single level per-
11 centage of basic pay for commissioned officers of the
12 Public Health Service on active duty (other than ac-
13 tive duty for training); and

14 “(2) a determination (using the aggregate
15 entry-age normal cost method) of a single level per-
16 centage of basic pay and of compensation (paid pur-
17 suant to section 206 of title 37, United States Code)
18 of commissioned officers of the Reserve Corps of the
19 Public Health Service (other than officers on full
20 time duty other than for training) who are not oth-
21 erwise described in paragraph (1).

22 “(d) All determinations under this section shall be in
23 accordance with generally accepted actuarial principles
24 and practices and, where appropriate, shall follow the gen-

1 eral pattern of methods and assumptions approved by the
2 Department of Defense Retirement Board of Actuaries.

3 “(e) The Secretary shall provide for the keeping of
4 such records as are necessary for determining the actu-
5 arial status of the Fund.

6 “PAYMENTS INTO THE FUND

7 “SEC. 255. (a) From amounts available to the De-
8 partment of Health and Human Services for salaries and
9 expenses, the Secretary shall pay into the Fund at the end
10 of each month the amount that is the sum of—

11 “(1) the product of—

12 “(A) the level percentage of basic pay de-
13 termined using all the methods and assump-
14 tions approved for the most recent (as of the
15 first day of the current fiscal year) actuarial
16 valuation under sections 254(C)(1) (except that
17 any statutory change affecting benefits payable
18 on account of retirement, disability, or death to
19 commissioned officers or their survivors that is
20 effective after the date of that valuation and on
21 or before the first day of the current fiscal year
22 shall be used in such determination); and

23 “(B) the total amount of basic pay accrued
24 for that month by commissioned officers of the
25 Public Health Service on active duty (other
26 than active duty for training); and

1 “(2) the product of—

2 “(A) the level percentage of basic pay and
3 of compensation (paid pursuant to section 206
4 of title 37, United States Code) determined
5 using all the methods and assumptions ap-
6 proved for the most recent (as of the first day
7 of the current fiscal year) actuarial valuation
8 under section 254(C)(2) (except that any statu-
9 tory change affecting benefits payable on ac-
10 count of retirement, disability, or death to com-
11 missioned officers or their survivors that is ef-
12 fective after the date of that valuation and on
13 or before the first day of the current fiscal year
14 shall be used in such determinations); and

15 “(B) the total amount of basic pay and of
16 compensation (paid pursuant to section 206 of
17 title 37, United States Code) accrued for that
18 month by commissioned officers of the Reserve
19 Corps of the Public Health Service (other than
20 officers on full-time duty other than for train-
21 ing).

22 “(b) At the beginning of each fiscal year, beginning
23 on October 1, 2011, the Secretary shall certify to the Sec-
24 retary of the Treasury the amount of the first installment
25 under the most recent amortization schedule established

1 under section 254(a). The Secretary of the Treasury shall
2 pay into the Fund from the General Fund of the Treasury
3 the amount so certified. Such payment shall be the con-
4 tribution to the Fund for that fiscal year.

5 “INVESTMENTS OF ASSETS OF FUND

6 “SEC. 256. The Secretary may request the Secretary
7 of the Treasury to invest such portion of the Fund as is
8 not, in the judgment of the Secretary, required to meet
9 the current needs of the Fund. Such investments shall be
10 made by the Secretary of the Treasury in public debt secu-
11 rities with maturities suitable to the needs of the Fund,
12 as determined by the Secretary, and bearing interest at
13 rates determined by the Secretary of the Treasury, taking
14 into consideration current market yields on outstanding
15 marketable obligations of the United States of comparable
16 maturities. The income on such investments shall be cred-
17 ited to and form a part of the Fund.

18 “IMPLEMENTATION YEAR EXCEPTIONS

19 “SEC. 257. (a) To avoid funding shortfalls in the first
20 year should formal actuarial determinations not be avail-
21 able in time for budget preparation, the amounts used in
22 the first year in sections 255(a)(1)(A) and 255(a)(2)(A)
23 shall be set equal to those estimates in sections
24 254(b)(1)(A) and 254(b)(2)(A) if final determinations are
25 not available. The original unfunded liability as defined
26 in section 254(a) shall include an adjustment to correct

1 for this difference between the formal actuarial determina-
2 tions and the estimates in sections 254(b)(1)(A) and
3 254(b)(2)(A).”.

4 (b) CONFORMING AMENDMENTS.—Section 214 of the
5 Public Health Service Act (42 U.S.C. 215) is amended
6 by adding at the end the following new subsection:

7 “(e) The Secretary shall condition any detail under
8 subsection (a), (b), or (c) upon the agreement of the exec-
9 utive department, State, subdivision, Committee of the
10 Congress, or institution concerned to pay to the Depart-
11 ment of Health and Human Services, in advance or by
12 way of reimbursement, for the full cost of the detail in-
13 cluding that portion of the contributions under section
14 255(a) that is attributable to the detailed personnel.”.

15 (c) TRANSFER OF APPROPRIATIONS.—There shall be
16 transferred on October 1, 2012, into the fund established
17 under section 251 of the Public Health Service Act, as
18 added by subsection (a), any obligated or unobligated bal-
19 ances of appropriations made to the Department of Health
20 and Human Services that are currently available for bene-
21 fits payable on account of retirement, disability, or death
22 to commissioned officers of the Public Health Service and
23 to their survivors pursuant to part A of title II of the Pub-
24 lic Health Service Act, and amounts so transferred shall
25 be part of the assets of the Fund.

1 **SEC. 505. NATIONAL OCEANIC AND ATMOSPHERIC ADMIN-**
2 **ISTRATION COMMISSIONED OFFICER CORPS**
3 **RETIREMENT SYSTEM.**

4 (a) IN GENERAL.—The National Oceanic and Atmos-
5 pheric Administration Commissioned Officer Corps Act of
6 2002 (title II of Public Law 107–372) is amended by in-
7 serting after section 246 (33 U.S.C. 3046) the following
8 new section:

9 **“SEC. 246A NATIONAL OCEANIC AND ATMOSPHERIC ADMIN-**
10 **ISTRATION COMMISSIONED OFFICER CORPS**
11 **RETIREMENT SYSTEM.**

12 “(a) ESTABLISHMENT AND PURPOSE OF NOAA
13 COMMISSIONED OFFICER CORPS RETIREMENT FUND.—

14 “(1) There is established on the books of the Treas-
15 ury a fund to be known as the National Oceanic and At-
16 mospheric Administration Commissioned Officer Corps
17 Retirement Fund (hereinafter in this section referred to
18 as the ‘Fund’), which shall be administered by the Sec-
19 retary. The Fund shall be used for the accumulation of
20 funds in order to finance on an actuarially sound basis
21 liabilities of the Department of Commerce under military
22 retirement and survivor benefit programs for the commis-
23 sioned officers corps.

24 “(2) The term ‘military retirement and survivor ben-
25 efit program’ means—

1 “(A) the provisions of this title and title 10,
2 United States Code, creating entitlement to, or de-
3 termining, the amount of retired pay;

4 “(B) the programs under the jurisdiction of the
5 Department of Defense providing annuities for sur-
6 vivors and members and former members of the
7 Armed Forces, including chapter 73 of title 10, sec-
8 tion 4 of Public Law 92–425, and section 5 of Pub-
9 lic Law 96–202, as made applicable to the commis-
10 sioned officer corps by section 261.

11 “(b) ASSETS OF THE FUND.—There shall be depos-
12 ited into the Fund the following, which shall constitute
13 the assets of the Fund:

14 “(1) Amounts paid into the Fund under sub-
15 section (e).

16 “(2) Any return on investment of the assets of
17 the Fund.

18 “(3) Amounts transferred into the Fund pursu-
19 ant to section 405(b) of the Spending, Deficit, and
20 Debt Control Act of 2009.

21 “(c) PAYMENTS FROM THE FUND.—There shall be
22 paid from the Fund benefits payable on account of mili-
23 tary retirement and survivor benefit programs to commis-
24 sioned officers of the commissioned officer corps and their
25 survivors.

1 “(d) DETERMINATION OF CONTRIBUTIONS TO THE
2 FUND.—(1)(A) Not later than June 30, 2010, the Sec-
3 retary shall determine the unfunded liability of the Fund
4 attributable to service performed as of September 30,
5 2010, which is ‘active service’ for the purpose of this title.
6 The Secretary shall establish an amortization schedule, in-
7 cluding a series of annual installments commencing Octo-
8 ber 1, 2011, which provides for the liquidation of such
9 liability by October 1, 2049.

10 “(B) The Secretary shall redetermine the unfunded
11 liability of the Fund as of the close of the fiscal year, for
12 each fiscal year beginning after September 30, 2010,
13 through the fiscal year ending September 30, 2044, and
14 shall establish a new amortization schedule, including a
15 series of annual installments commencing on September
16 30 of the subsequent fiscal year, which provides for the
17 liquidation of such liability by October 1, 2049.

18 “(C) The Secretary shall redetermine the unfunded
19 liability of the Fund as of the close of the fiscal year for
20 each fiscal year beginning after September 30, 2044, and
21 shall establish a new authorization schedule, including se-
22 ries of annual installments commencing on October 1 of
23 the second subsequent fiscal year, which provides for the
24 liquidation of such liability over five years.

1 “(2) The Secretary shall determine each fiscal year,
2 in sufficient time for inclusion in the budget request for
3 the following fiscal year, the total amount of Department
4 of Commerce contributions to be made to the Fund during
5 that fiscal year under (e). The amount shall be the product
6 of—

7 “(A) the current estimate of the value of the
8 single level percentage of basic pay to be determined
9 under subsection (e) at the time of the most recent
10 actuarial valuation under paragraph (3); and

11 “(B) the total amount of basic pay expected to
12 be paid during that fiscal year to commissioned offi-
13 cers of NOAA on active duty.

14 “(3) Not less often than every four years (or by the
15 fiscal year end before the effective date of any statutory
16 change affecting benefits payable on account of retire-
17 ment, disability, or death to commissioned officers or their
18 survivors), the Secretary shall carry out an actuarial valu-
19 ation of benefits payable on account of military retirement
20 and survivor benefit programs to commissioned officers of
21 the Administration and to their survivors. Each such actu-
22 arial valuation shall be signed by an enrolled Actuary and
23 shall include a determination (using the aggregate entry-
24 age normal cost method) of a single level percentage of
25 basic pay for commissioned officers on active duty.

1 “(4) All determinations under this section shall be in
2 accordance with generally accepted actuarial principles
3 and practices, and, where appropriate, shall follow the
4 general pattern of methods and assumptions approved by
5 the Department of Defense Retirement Board of Actu-
6 aries.

7 “(5) The Secretary shall provide for the keeping of
8 such records as are necessary for determining the actu-
9 arial status of the Fund.

10 “(e) PAYMENTS INTO THE FUND.—(1) From
11 amounts appropriated to the National Oceanic Atmos-
12 pheric Administration for salaries and expenses, the Sec-
13 retary shall pay into the Fund at the end of each month
14 the amount that is the product of—

15 “(A) the level percentage of basic pay deter-
16 mined using all the methods and assumptions ap-
17 proved for the most recent (as of the first day of the
18 current fiscal year) actuarial valuation under sub-
19 section (d) (except that any statutory change affect-
20 ing benefits payable on account of military retire-
21 ment and survivor benefit programs to commissioned
22 officers of the Administration and to their survivors
23 that is effective date after the date of that valuation
24 and on or before the first day of the current fiscal
25 year shall be used in such determination); and

1 “(B) the total amount of basic pay accrued for
2 that month by commissioned officers on active duty.

3 “(2)(A) At the beginning of each fiscal year, the Sec-
4 retary shall determine the sum of—

5 “(i) the amount of the payment for that year
6 under the amortization of the original unfunded li-
7 ability of the Fund;

8 “(ii) the amount (including any negative
9 amount) for that year under the most recent amorti-
10 zation schedule determined by the Secretary for the
11 amortization of any cumulative actuarial gain or loss
12 to the Fund, resulting from changes in benefits; and

13 “(iii) the amount (including any negative
14 amount) for that year under the most recent amorti-
15 zation schedule determined by the Secretary for the
16 amortization or any cumulative actuarial gain or loss
17 to the Fund resulting from changes in actuarial as-
18 sumptions and from experience different from the
19 assumed since the last valuation.

20 The Secretary shall promptly certify the amount of the
21 sum to the Secretary of the Treasury.

22 “(B) Upon receiving the certification pursuant to
23 paragraph (1), the Secretary of the Treasury shall
24 promptly pay into the Fund from the General Fund of

1 the Treasury the amount so certified. Such payment shall
2 be the contribution to the Fund for that fiscal year.

3 “(f) INVESTMENT OF ASSETS OF THE FUND.—The
4 Secretary may request the Secretary of the Treasury to
5 invest such portion of the Fund as is not, in the judgment
6 of the Secretary, required to meet the current needs of
7 the Fund. Such investments shall be made by the Sec-
8 retary of the Treasury in public debt securities with matu-
9 rities suitable to the needs of the Fund, as determined
10 by the Secretary, and bearing interest at rates determined
11 by the Secretary of the Treasury, taking into consideration
12 current market yields on outstanding marketable obliga-
13 tions of the United States of comparable maturities. The
14 income of such investments shall be credited to and form
15 a part of the Fund.

16 “(g) IMPLEMENTATION YEAR EXCEPTIONS.—(1) To
17 avoid funding shortfalls in the first year should formal ac-
18 tuarial determinations not be available in time for budget
19 preparation, the amounts used in the first year in sub-
20 section (e)(1)(A) shall be set equal to the estimate in sub-
21 section (d)(2)(A) if final determinations are not available.
22 The original unfunded liability as determined in sub-
23 section (d)(1) shall include an adjustment to correct for
24 this difference between the formal actuarial determina-
25 tions and the estimates in subsection (d)(2)(A).”.

1 (b) TRANSFER OF APPROPRIATIONS.—There shall be
2 transferred on October 1, 2012, into the fund established
3 under section 246A(a) of the National Oceanic and At-
4 mospheric Administration Commissioned Officer Corps
5 Act of 2002 (title II of Public Law 107–372, as added
6 by subsection (a)), any obligated and unobligated balance
7 of appropriations made to the Department of Commerce
8 that are available as of the date of the enactment of this
9 Act for benefits payable on account of military retirement
10 and survivor benefit programs to commissioned officers of
11 the NOAA Commissioned Officer Corps and to their sur-
12 vivors, and amounts so transferred shall be part of the
13 assets of the Fund, effective October 1, 2012.

14 (c) EFFECTIVE DATE.—Subsection (c) (relating to
15 payments from the Fund) and (e) (relating to payments
16 into the Fund) of section 246A of the National Oceanic
17 and Atmospheric Administration Commissioned Officer
18 Corps Act of 2002 (title II of Public Law 107–372, as
19 added by subsection (a)), shall take effect on October 1,
20 2010.

21 **SEC. 506. COAST GUARD MILITARY RETIREMENT SYSTEM.**

22 (a) ACCRUAL FUNDING FOR COAST GUARD RETIRE-
23 MENT.—

1 (1) IN GENERAL.—Chapter 11 of title 14,
2 United States Code, is amended by adding at the
3 end the following new subchapter:

4 “SUBCHAPTER V—COAST GUARD MILITARY
5 RETIREMENT FUND

6 “§ 441. **Establishment and purpose of Fund; defini-**
7 **tions**

8 “(a) ESTABLISHMENT OF FUND; PURPOSE.—There
9 is established on the books of the Treasury a fund to be
10 known as the Coast Guard Military Retirement Fund
11 (hereinafter in this subchapter referred to as the ‘Fund’),
12 which shall be administered by the Secretary. The Fund
13 shall be used for the accumulations of funds in order to
14 finance on an actuarially sound basis liabilities of the
15 Coast Guard under military retirement and survivor ben-
16 efit programs.

17 “(b) MILITARY RETIREMENT AND SURVIVOR BEN-
18 EFIT PROGRAMS DEFINED.—In this subchapter, the term
19 ‘military retirement and survivor benefit programs’
20 means—

21 “(1) the provisions of this title and title 10 cre-
22 ating entitlement to, or determining the amount of,
23 retired pay;

24 “(2) the programs providing annuities for sur-
25 vivors of members and former members of the

1 armed forces, including chapter 73 of title 10, sec-
2 tion 4 of Public Law 92–425, and section 5 of Pub-
3 lic Law 96–402; and

4 “(3) the authority provided in section 1048(h)
5 of title 10.

6 “(c) SECRETARY DEFINED.—In this subchapter, the
7 term ‘Secretary’ means the Secretary of Homeland Secu-
8 rity when the Coast Guard is not operating as a service
9 in the Navy and the Secretary of Defense when the Coast
10 Guard is operating as a service in the Navy.

11 **“§ 442. Assets of the Fund**

12 “There shall be deposited into the Fund the fol-
13 lowing, which shall constitute the assets of the Fund:

14 “(1) Amounts paid into the Fund under section
15 445 of this title.

16 “(2) Any return on investment of the assets of
17 the Fund.

18 “(3) Amounts transferred into the Fund pursu-
19 ant to section 406(d) of the Spending, Deficit, and
20 Debt Control Act of 2009.

21 **“§ 443. Payments from the Fund**

22 “(a) IN GENERAL.—There shall be paid from the
23 Fund the following:

24 “(1) Retired pay payable to persons on the re-
25 tired list of the Coast Guard.

1 “(2) Retired pay payable under chapter 1223 of
2 title 10 to former members of the Coast Guard and
3 the former United States Lighthouse Service.

4 “(3) Benefits payable under programs that pro-
5 vide annuities for survivors of members and former
6 members of the armed forces, including chapter 73
7 of title 10, section 4 of Public Law 92–425, and sec-
8 tion 5 of Public Law 96–402.

9 “(4) Amounts payable under section 1048(h) of
10 title 10.

11 “(b) AVAILABILITY OF ASSETS OF THE FUND.—The
12 assets of the Fund are hereby made available for payments
13 under subsection (a).

14 **“§ 444. Determination of contributions to the Fund**

15 “(a) INITIAL UNFUNDED LIABILITY.—(1) Not later
16 than June 30, 2011, the Secretary shall determine the un-
17 funded liability of the Fund attributable to service per-
18 formed as of September 30, 2010, which is ‘active service’
19 for the purposes of section 212. The Secretary shall estab-
20 lish an amortization schedule, including a series of annual
21 installments commencing October 1, 2011, which provides
22 for the liquidation of such liability by October 1, 2049.

23 “(2) The Secretary shall redetermine the unfunded
24 liability of the Fund as of the close of the fiscal year, for
25 each beginning after September 30, 2010, through the fis-

1 cal year ending September 30, 2044, and shall establish
2 a new amortization schedule, including a series of annual
3 installments commencing on October 1 of the second sub-
4 sequent fiscal year, which provides for the liquidation of
5 such liability by October 1, 2049.

6 “(3) The Secretary shall redetermine the unfunded
7 liability of the Fund as of the close of the fiscal year for
8 each fiscal year beginning after September 30, 2044, and
9 shall establish a new amortization schedule, including a
10 series of annual installments commencing on October 1
11 of the second subsequent fiscal year, which provides for
12 the liquidation of such liability over five years.

13 “(b) ANNUAL CONTRIBUTIONS FOR CURRENT SERV-
14 ICES.—(1) The Secretary shall determine each fiscal year,
15 in sufficient time for inclusion in the budget request for
16 the following fiscal year, the total amount of Department
17 of Homeland Security, or Department of Defense, con-
18 tributions to be made to the Fund during that fiscal year
19 under section 445(a) of this title. That amount shall be
20 the sum of the following:

21 “(A) The product of—

22 “(i) the current estimate of the value of
23 the single level percentage of basic pay to be de-
24 termined under subsection (c)(1)(A) at the time

1 of the most recent actuarial valuation under
2 subsection (c); and

3 “(ii) the total amount of basic pay ex-
4 pected to be paid during that fiscal year to
5 members of the Coast Guard on active duty
6 (other than active duty for training).

7 “(B) The product of—

8 “(i) the current estimate of the value of
9 the single level percentage of basic pay and of
10 compensation (paid pursuant to section 206 of
11 title 37) to be determined under subsection
12 (c)(1)(B) at the time of the most recent actu-
13 arial valuation under subsection (c); and

14 “(ii) the total amount of basic pay and
15 compensation (paid pursuant to section 206 of
16 title 37) expected to be paid during that fiscal
17 year to members of the Coast Guard Ready Re-
18 serve (other than members on full-time Reserve
19 duty other than for training) who are not other-
20 wise described in subparagraph (A)(ii).

21 “(2) The amount determined under paragraph (1) for
22 any fiscal year is the amount needed to be appropriated
23 to the Department of Homeland Security for that fiscal
24 year for payments to be made to the Fund during that
25 year under section 445(a) of this title. The President shall

1 include not less than the full amount so determined in the
2 budget transmitted to Congress for that fiscal year under
3 section 1105 of title 31. The President may comment and
4 make recommendations concerning any such amount.

5 “(c) PERIODIC ACTUARIAL VALUATIONS.—(1) Not
6 less often than every four years (or before the effective
7 date of any statutory change affecting benefits payable on
8 account of retirement, disability, or death to members of
9 the Coast Guard or their survivors), the Secretary shall
10 carry out an actuarial valuation of the Coast Guard mili-
11 tary retirement and survivor benefit programs. Each actu-
12 arial valuation of such programs shall be signed by an en-
13 rolled actuary and shall include—

14 “(A) a determination (using the aggregate
15 entry-age normal cost method) of a single level per-
16 centage of basic pay for members of the Coast
17 Guard on active duty (other than active duty for
18 training); and

19 “(B) a determination (using the aggregate
20 entry-age normal cost method) of single level per-
21 centage of basic pay and of compensation (paid pur-
22 suant to section 206 of title 37) for members of the
23 Ready Reserve of the Coast Guard (other than mem-
24 bers on full-time Reserve duty other than for train-

1 ing) who are not otherwise described in subpara-
2 graph (A).

3 “(2) Such single level percentages shall be used for
4 the purposes of subsection (b) and section 445(a) of this
5 title.

6 “(d) USE OF GENERALLY ACCEPTED ACTUARIAL
7 PRINCIPLES AND PRACTICES.—All determinations under
8 this section shall be in accordance with generally accepted
9 actuarial principles and practices and, where appropriate,
10 shall follow the general pattern of methods and assump-
11 tions approved by the Department of Defense Retirement
12 Board of Actuaries.

13 “(e) RECORDS.—The Secretary shall provide for the
14 keeping of such records as are necessary for determining
15 the actuarial status of the Fund.

16 **“§ 445. Payments into the Fund**

17 “(a) MONTHLY ACCRUAL CHARGE FOR CURRENT
18 SERVICES.—From amounts appropriated to the Coast
19 Guard for salaries and expenses, the Secretary shall pay
20 into the Fund at the end of each month as the Department
21 of Homeland Security, or Department of Defense, con-
22 tribution to the Fund for that month the amount that is
23 the sum of the following:

24 “(1) The product of—

1 “(A) the level percentage of basic pay de-
2 termined using all the methods and assump-
3 tions approved for the most recent (as of the
4 first day of the current fiscal year) actuarial
5 valuation under section 444(c)(1)(A) of this
6 title (except that any statutory change in the
7 military retirement and survivor benefit systems
8 that is effective after the date of that valuation
9 and on or before the first day of the current fis-
10 cal year shall be used in such determination);
11 and

12 “(B) the total amount of basic pay accrued
13 for that month by members of the Coast Guard
14 on active duty (other than active duty for train-
15 ing).

16 “(2) The product of—

17 “(A) the level percentage of basic pay and
18 compensation (accrued pursuant to section 206
19 of title 37) determined using all the methods
20 and assumptions approved for the most recent
21 (as of the first day of the current fiscal year)
22 actuarial valuation under section 444(c)(1)(B)
23 of this title (except that any statutory change
24 in the military retirement and survivor benefit
25 systems that is effective after the date of that

1 valuation and on or before the first day of the
2 current fiscal year shall be used in such deter-
3 mination); and

4 “(B) the total amount of basic pay and of
5 compensation (paid pursuant to section 206 of
6 title 37) accrued for that month by members of
7 the Ready Reserve (other than members of full-
8 time Reserve duty other than for training) who
9 are not otherwise described in paragraph
10 (1)(B).

11 “(b) ANNUAL PAYMENT FOR UNFUNDED LIABIL-
12 ITIES.—(1) At the beginning of each fiscal year, beginning
13 on October 1, 2011, the Secretary shall certify to the Sec-
14 retary of the Treasury the amount of the first installment
15 under the most recent amortization schedule established
16 under section 254(a). The Secretary of the Treasury shall
17 promptly pay into the Fund from the General Fund of
18 the Treasury the amount so certified. Such payment shall
19 be the contribution to the Fund for that fiscal year.

20 **“§ 446. Investment of assets of the Fund**

21 “The Secretary may request the Secretary of the
22 Treasury to invest such portion of the Fund as is not,
23 in the judgment of the Secretary, required to meet the
24 current needs of the Fund. Such investments shall be
25 made by the Secretary of the Treasury in public debt secu-

1 rities with maturities suitable to the needs of the Fund,
2 as determined by the Secretary, and bearing interest at
3 rates determined by the Secretary of the Treasury, taking
4 into consideration current market yields on outstanding
5 marketable obligations of the United States of comparable
6 maturities. The income on such investments shall be cred-
7 ited to and form a part of the Fund.”.

8 (2) TECHNICAL AMENDMENTS.—Such chapter
9 is further amended—

10 (A) by amending the center heading after
11 the table of sections to read as follows:

12 “SUBCHAPTER I—OFFICERS”;

13 (B) by amending the center heading after
14 section 336 to read as follows:

15 “SUBCHAPTER II—ENLISTED MEMBERS”;

16 (C) by amending the center heading after
17 section 373 to read as follows:

18 “SUBCHAPTER III—GENERAL PROVISIONS”;

19 and

20 (D) by amending the center heading after
21 section 425 to read as follows:

22 “SUBCHAPTER IV—SPECIAL PROVISIONS”.

23 (3) CLERICAL AMENDMENTS.—The table of sec-
24 tions at the beginning of such chapter is amended—

1 (A) by striking “OFFICERS” at the be-
 2 ginning of the table and inserting “SUB-
 3 CHAPTER I—OFFICERS”;

4 (B) by striking “ENLISTED MEM-
 5 BERS” after the item relating to section 336
 6 and inserting “SUBCHAPTER II—EN-
 7 LISTED MEMBERS”;

8 (C) by striking “GENERAL PROVI-
 9 SIONS” after the item relating to section 373
 10 and inserting “SUBCHAPTER III—GEN-
 11 ERAL PROVISIONS”;

12 (D) by striking “SPECIAL PROVI-
 13 SIONS” after the item relating to section 425
 14 and inserting “SUBCHAPTER IV—SPECIAL
 15 PROVISIONS”; and

16 (E) by adding at the end the following:

“SUBCHAPTER V—COAST GUARD MILITARY RETIREMENT FUND

“441. Establishment and purpose of Fund; definitions.

“442. Assets of the Fund.

“443. Payments from the Fund.

“444. Determination of contributions to the Fund.

“445. Payments into the Fund.

“446. Investment of assets of the Fund.”.

17 (b) IMPLEMENTATION YEAR EXCEPTIONS.—To avoid
 18 funding shortfalls in the first year of implementation of
 19 subchapter V of chapter 11 of title 14, United States
 20 Code, as added by subsection (a), if formal actuarial deter-
 21 minations are not available in time for budget preparation,
 22 the amounts used in the first year under sections

1 445(a)(1)(A) and 445(a)(2)(A) of such title shall be set
2 equal to those estimates in sections 444(b)(1)(A)(i) and
3 444(b)(1)(B)(i), respectively, of such title if final deter-
4 minations are not available. The original unfunded liabil-
5 ity, as defined in section 444(a) of such title, shall include
6 an adjustment to correct for this difference between the
7 formal actuarial determinations and the estimates in sec-
8 tions 444(b)(1)(A)(i) and 444(b)(1)(B)(i) of such title.

9 (c) TRANSFER OF EXISTING BALANCES.—

10 (1) TRANSFER.—There shall be transferred into
11 the Fund on October 1, 2011, any obligated and un-
12 obligated balances of appropriations made to the De-
13 partment of Homeland Security that are currently
14 available for retired pay, and amounts so transferred
15 shall be part of the assets of the Fund.

16 (2) FUND DEFINED.—For purposes of para-
17 graph (1), the term “Fund” means the Coast Guard
18 Military Retirement Fund established under section
19 441 of title 14, United States Code, as added by
20 subsection (a).

21 (d) EFFECTIVE DATE.—Sections 443 (relating to
22 payments from the Fund) and 445 (relating to payments
23 into the Fund) of title 14, United States Code, as added
24 by subsection (a), shall take effect on October 1, 2011.

1 **Subtitle B—Accrual Funding of**
2 **Post-Retirement Health Benefits**
3 **Costs for Federal Employees**

4 **SEC. 511. FEDERAL EMPLOYEES HEALTH BENEFITS FUND.**

5 (a) Section 8906 of title 5, United States Code, is
6 amended—

7 (1) by redesignating subsection (c) as sub-
8 section (c)(1) and by adding at the end the following
9 new paragraphs:

10 “(2) In addition to Government contributions re-
11 quired by subsection (b) and paragraph (1), each employ-
12 ing agency shall contribute amounts as determined by the
13 Office to be necessary to prefund the accruing actuarial
14 cost of post-retirement health benefits for each of the
15 agency’s current employees who are eligible for Govern-
16 ment contributions under this section. Amounts under this
17 paragraph shall be paid by the employing agency separate
18 from other contributions under this section, from the ap-
19 propriations or fund used for payment of the salary of the
20 employee, on a schedule to be determined by the Office.

21 “(3) Paragraph (2) shall not apply to the United
22 States Postal Service or the Government of the District
23 of Columbia.”

24 (2) by amending subsection (g)(1) to read as
25 follows:

1 “(g)(1) Except as provided in paragraphs (2) and
2 (3), all Government contributions authorized by this sec-
3 tion for health benefits for an annuitant shall be paid from
4 the Employees Health Benefits Fund to the extent that
5 funds are available in accordance with section 8909(h)(6)
6 and, if necessary, from annual appropriations which are
7 authorized to be made for that purpose and which may
8 be made available until expended.”.

9 (b) Section 8909 of title 5, United States Code, is
10 amended by adding at the end the following new sub-
11 section:

12 “(h)(1) Not later than June 30, 2012, the Office
13 shall determine the existing liability of the Fund for post-
14 retirement health benefits, excluding the liability of the
15 United States Postal Service for service under section
16 8906(g)(2), under this chapter as of September 30, 2012.
17 The Office shall establish an amortization schedule, in-
18 cluding a series of annual installments commencing Sep-
19 tember 30, 2012, which provides for the liquidation of
20 such liability by September 30, 2048.

21 “(2) At the close of each fiscal year, for fiscal years
22 beginning after September 30, 2011, the Office shall de-
23 termine the supplemental liability of the Fund for post-
24 retirement health benefits, excluding the liability attrib-
25 utable to the United States Postal Service for service sub-

1 ject to section 8906(g)(2), and shall establish an amortiza-
2 tion schedule, including a series of annual installments
3 commencing on September 30 of the subsequent fiscal
4 year, which provides for liquidation of such supplemental
5 liability over 30 years.

6 “(3) Amortization schedules established under this
7 paragraph shall be set in accordance with generally accept-
8 ed actuarial practices and principles.

9 “(4) At the end of each fiscal year on and after Sep-
10 tember 30, 2012, the Office shall notify the Secretary of
11 the Treasury of the amounts of the next installments
12 under the most recent amortization schedules established
13 under paragraphs (1) and (2). Before closing the accounts
14 for the fiscal year, the Secretary shall credit the sum of
15 these amounts (including in that sum any negative
16 amount for the amortization of the supplemental liability)
17 to the Fund, as a Government contribution, out of any
18 money in the Treasury of the United States not otherwise
19 appropriated.

20 “(5) For the purpose of carrying out paragraphs (1)
21 and (2), the Office shall perform or arrange for actuarial
22 determinations and valuations and shall prescribe reten-
23 tion of such records as it considers necessary for making
24 periodic actuarial valuations of the Fund.

1 “(6) Notwithstanding subsection (b), the amounts de-
2 posited into the Fund pursuant to this subsection and sec-
3 tion 8906(C)(2) to prefund post-retirement health benefits
4 costs shall be segregated within the Fund so that such
5 amounts, as well as earnings and proceeds under sub-
6 section (c) attributable to them, may be used exclusively
7 for the purpose of paying Government contributions for
8 post-retirement health benefits costs. When such amounts
9 are used in combination with amounts withheld from an-
10 nuity payments to pay for health benefits, a portion of the con-
11 tributions shall then be set aside in the Fund as described
12 in subsection (b).

13 “(7) Under this subsection, ‘supplemental liability’
14 means—

15 “(A) the actuarial present value for future post-
16 retirement health benefits that are the liability of
17 the Fund, less

18 “(B) the sum of—

19 “(i) the actuarial present value of all fu-
20 ture contributions by agencies and annuitants
21 to the Fund toward those benefits pursuant to
22 section 8906;

23 “(ii) the present value of all scheduled am-
24 ortization payments to the Fund pursuant to
25 paragraphs (1) and (2);

1 “(iii) the Fund balance as of the date the
2 supplemental liability is determined, to the ex-
3 tent that such balance is attributable to post-re-
4 tirement benefits; and

5 “(iv) any other appropriate amount, as de-
6 termined by the Office in accordance with gen-
7 erally accepted actuarial practices and prin-
8 ciples.”.

9 **SEC. 512. FUNDING UNIFORMED SERVICES HEALTH BENE-**
10 **FITS FOR ALL RETIREES.**

11 Title 10, United States Code, is amended—

12 (1) in the title of chapter 56, by striking “**DE-**
13 **PARTMENT OF DEFENSE MEDICARE-**
14 **ELIGIBLE**” and inserting “**UNIFORMED**
15 **SERVICES**”;

16 (2) in section 1111—

17 (A) in subsection (a)—

18 (i) by striking “Department of De-
19 fense Medicare-Eligible” and inserting
20 “Uniformed Services”;

21 (ii) by striking “Department of De-
22 fense under”; and

23 (iii) by striking “for Medicare-eligible
24 beneficiaries”;

25 (B) in subsection (c)—

1 (i) by striking “The Secretary of De-
2 fense may” and inserting “The Secretary
3 of Defense shall”;

4 (ii) by striking “with any other” and
5 inserting “with each”;

6 (iii) by striking “Any such agree-
7 ment” and inserting “Such agreements”;
8 and

9 (iv) by striking “administering Sec-
10 retary may” and inserting “administrative
11 Secretary shall”;

12 (3) in section 1113—

13 (A) in subsection (a)—

14 (i) by striking “and are Medicare eli-
15 gible”;

16 (ii) by striking “who are Medicare eli-
17 gible”; and

18 (iii) by adding at the end the fol-
19 lowing new sentence: “For the fiscal year
20 starting October 1, 2010, only, the pay-
21 ments will be solely for the costs of mem-
22 bers or former members of a uniformed
23 service who are entitled to retired or re-
24 tainer pay and are Medicare-eligible, and

1 eligible dependents or survivors who are
2 Medicare-eligible.”;

3 (B) in subsection (c)(1), by striking “who
4 are Medicare-eligible”;

5 (C) in subsection (d), by striking “who are
6 Medicare-eligible”; and

7 (D) in subsection (f), by striking “If” and
8 inserting “When”;

9 (4) in section 1114, in subsection (a)(1), by
10 striking “Department of Defense Medicare-Eligible”
11 and inserting “Uniformed Services”;

12 (5) in section 1115—

13 (A) in subsection (b)(2), by striking “The
14 amount determined under paragraph (1) for
15 any fiscal year is the amount needed to be ap-
16 propriated to the Department of Defense (or to
17 the other executive department having jurisdic-
18 tion over the participating uniformed service)”
19 and inserting “The amount determined under
20 paragraph (1), or the amount determined under
21 section 1111(c) for a participating uniformed
22 service, for any fiscal year, is the amount need-
23 ed to be appropriated to the Department of De-
24 fense (or to any other executive department

1 having jurisdiction over a participating uni-
2 formed service)”;

3 (B) in subsection (c)(2), by striking “for
4 Medicare eligible beneficiaries”; and

5 (C) by adding at the end the following new
6 subsection:

7 “(f) For the fiscal year starting October 1, 2010,
8 only, the amounts in this section shall be based solely on
9 the costs of Medicare-eligible benefits of beneficiaries and
10 the costs for their eligible dependents or survivors who are
11 Medicare-eligible, and shall be recalculated thereafter to
12 reflect the cost of beneficiaries defined in section 1111.”.

13 (6) in section 1116—

14 (A) in subsection (a)(1)(A), by striking
15 “for Medicare-eligible beneficiaries”;

16 (B) in subsection (a)(2)(A), by striking
17 “for Medicare-eligible beneficiaries”; and

18 (C) in subsection (c), by striking “sub-
19 section (a) shall be paid from funds available
20 for the health care programs” and inserting
21 “subsection (a) and section 1111(c) shall be
22 paid from funds available for the pay of mem-
23 bers of the participating uniformed services
24 under the jurisdiction of the respective admin-
25 istering secretaries”.

1 **SEC. 513. EFFECTIVE DATE.**

2 Except as otherwise provided, this title shall take ef-
3 fect upon enactment with respect to fiscal years beginning
4 after 2014.

5 **Subtitle C—Earmark Reform**

6 **SEC. 521. JOINT SELECT COMMITTEE ON EARMARK RE-**
7 **FORM.**

8 (a) ESTABLISHMENT AND COMPOSITION.—There is
9 hereby established a Joint Select Committee on Earmark
10 Reform (hereinafter referred to as the “joint select com-
11 mittee”). The joint select committee shall be composed of
12 16 members as follows:

13 (1) Eight Members of the House of Representatives,
14 4 appointed from the majority party by the Speaker of
15 the House, and 4 from the minority party by the Speaker
16 upon the recommendation of the minority leader.

17 (2) Eight Members of the Senate, 4 appointed from
18 the majority party by the majority leader of the Senate,
19 and 4 from the minority party to be appointed by the mi-
20 nority leader.

21 A vacancy in the joint select committee shall not affect
22 the power of the remaining members to execute the func-
23 tions of the joint select committee, and shall be filled in
24 the same manner as the original selection.

25 (b) STUDY AND REPORT.—

1 (1) STUDY.—The joint select committee shall make
2 a full study of the practices of the House, Senate, and
3 Executive Branch regarding earmarks in authorizing, ap-
4 propriation, tax, and tariff measures. As part of the study,
5 the joint select committee shall consider the efficacy of—

6 (A) the disclosure requirements of clause 9 of rule
7 XXI and clause 17 of rule XXIII of the Rules of the
8 House of Representatives and rule XLIV of the Standing
9 Rules of the Senate, and the definitions contained therein;

10 (B) requiring full transparency in the process, with
11 earmarks listed in bills at the outset of the legislative proc-
12 ess and continuing throughout consideration;

13 (C) requiring that earmarks not be placed in any bill
14 after initial committee consideration;

15 (D) requiring that Members be permitted to offer
16 amendments to remove earmarks at subcommittee, full
17 committee, floor consideration, and during conference
18 committee meetings;

19 (E) requiring that bill sponsors and majority and mi-
20 nority managers certify the validity of earmarks contained
21 in their bills;

22 (F) recommending changes to earmark requests
23 made by the Executive Branch through the annual budget
24 submitted to Congress pursuant to section 1105 of title
25 31, United States Code;

1 (G) requiring that House and Senate amendments
2 meet earmark disclosure requirements, including amend-
3 ments adopted pursuant to a special order of business;

4 (H) establishing new categories for earmarks, includ-
5 ing—

6 (i) projects with National scope;

7 (ii) military projects; and

8 (iii) local or provincial projects, including the
9 level of matching funds required for such project.

10 (2) REPORT.—

11 (A) The joint select committee shall submit to the
12 House and the Senate a report of its findings and rec-
13 ommendations not later than 6 months after adoption of
14 this joint resolution.

15 (B) No recommendation shall be made by the joint
16 select committee except upon the majority vote of the
17 members from each House, respectively.

18 (C) Notwithstanding any other provision of this reso-
19 lution, any recommendation with respect to the rules and
20 procedures of one House that only affects matters related
21 solely to that House may only be made and voted on by
22 members of the joint select committee from that House
23 and, upon its adoption by a majority of such members,
24 shall be considered to have been adopted by the full com-
25 mittee as a recommendation of the joint select committee.

1 In conducting the study under paragraph (1), the joint
2 select committee shall hold not fewer than 5 public hear-
3 ings.

4 (c) RESOURCES AND DISSOLUTION.—

5 (1) The joint select committee may utilize the re-
6 sources of the House and Senate.

7 (2) The joint select committee shall cease to exist 30
8 days after the submission of the report described in sub-
9 section (a)(2).

10 (d) DEFINITION.—For purposes of this section, the
11 term “earmark” shall include congressional earmarks,
12 congressionally directed spending items, limited tax bene-
13 fits, or limited tariff benefits as those terms are used in
14 clause 9 of rule XXI of the Rules of the House of Rep-
15 resentatives and rule XLIV of the Standing Rules of the
16 Senate. Nothing in this subsection shall confine the study
17 of the joint select committee or otherwise limit its rec-
18 ommendations.

19 **SEC. 522. MORATORIUM ON CONSIDERATION OF EAR-**
20 **MARKS.**

21 (a) IN THE HOUSE.—It shall not be in order to con-
22 sider a bill, joint resolution, or conference report con-
23 taining a congressional earmark, limited tax benefit, or
24 limited tariff benefit (as such terms are used in clause
25 9 of rule XXI of the Rules of the House of Representa-

1 tives) or an earmark attributable to the President until
 2 the filing of the report required under section 1.

3 (b) IN THE SENATE.—[To be supplied.]

4 **Subtitle D—Public Debt Limit**

5 **SEC. 531. LIMIT ON PUBLIC DEBT.**

6 Upon the enactment of a joint resolution setting forth
 7 the debt limit consistent with this section, section 3101
 8 of title 31, United States Code, is amended to read as
 9 follows, with the blank to be set at the level provided for
 10 in such joint resolution:

11 **“§ 3101. Public debt limit**

12 “(a) In this section, the current redemption value of
 13 an obligation issued on a discount basis and redeemable
 14 before maturity at the option of its holder is deemed to
 15 be the face amount of the obligation.

16 “(b) The face amount of obligations issued under this
 17 chapter and the face amount of obligations whose prin-
 18 cipal and interest are guaranteed by the United States
 19 Government (except guaranteed obligations held by the
 20 Secretary of the Treasury and intragovernmental hold-
 21 ings) may not be more than \$_____ out-
 22 standing at one time, subject to changes periodically made
 23 in that amount as provided by law.

24 “(c) For purposes of this section, the face amount,
 25 for any month, of any obligation issued on a discount basis

1 that is not redeemable before maturity at the option of
2 the holder of the obligation is an amount equal to the sum
3 of—

4 “(1) the original issue price of the obligation,
5 plus

6 “(2) the portion of the discount on the obliga-
7 tion attributable to periods before the beginning of
8 such month (as determined under the principles of
9 section 1272(a) of the Internal Revenue Code of
10 1986 without regard to any exceptions contained in
11 paragraph (2) of such section).

12 “(d) For purposes of this section, the term
13 ‘intragovernment holding’ is any obligation issued by the
14 Secretary of the Treasury to any Federal trust fund or
15 Government account, whether in respect of public money,
16 money otherwise required to be deposited in the Treasury,
17 or amounts appropriated.”.

18 **SEC. 532. REPEAL OF THE GEPHARDT RULE.**

19 The Rules of the House of Representatives are
20 amended by repealing rule XXVIII (relating to the statu-
21 tory limit on public debt).

Subtitle E—Risk-Assumed Budgeting

SEC. 541. MARKET ADJUSTED RATE FOR FEDERAL CREDIT REFORM ACT OF 1990.

Amend section 502(5)(E) of the Federal Credit Reform Act of 1990 to read as follows:

“(E) In estimating net present values, the discount rate shall be the average interest rate on marketable Treasury securities of similar maturity to the cash flows of the direct loan or loan guarantee for which the estimate is being made, as adjusted for market risks; and”.

SEC. 542. CBO AND GAO STUDY.

The Congressional Budget Office and the Government Accountability Office shall prepare a study and make recommendations as to the feasibility of applying accrual concepts to budgeting for the costs of Federal insurance programs, adapting the budgetary principles now used for Federal loan and loan guarantee programs to Federal insurance programs.

TITLE VI—BUDGET ENFORCEMENT

SEC. 600. SHORT TITLE.

This title may be cited as the “Budget Enforcement and Congressional Control Act of 2009”.

Subtitle A—Enforcement Amendments

SEC. 601. POINTS OF ORDER IN THE HOUSE OF REPRESENTATIVES AND THE SENATE.

Section 904 of the Congressional Budget Act of 1974 is amended as follows:

(1) In subsection (c)(1), insert “312(g), (h), (i), and (j),” before “313,” and insert “316, 317, 322, 323,” before “904(C),”;

(2) In subsection (d)(2), insert “312(g), (h), (i), and (j),” before “313,” and insert “316, 317, 322, 323,” before “904(C),”;

(3) In subsections (C)(2) and (d)(3), strike “311(a),”;

(4) “In subsections (C)(1) and (d)(2) insert ‘311(a),’ after ‘310(d)(2),’.”;

(5) In subsections (C)(1), (C)(2), (d)(2), and (d)(3) by inserting “or the House of Representatives” after “Senate” each place it appears, and

(6) Strike subsection (e).

SEC. 602. POINT OF ORDER WAIVER PROTECTION.

Rule XIII of the Rules of the House of Representatives (as amended by section 313) is further amended by adding at the end the following new clause:

1 “10. (a) It shall not be in order to consider a rule
2 or order that waives the provisions of any section of the
3 Congressional Budget Act of 1974 referred to in section
4 904(C)(1) of such Act or of section 212 of the Spending,
5 Deficit, and Debt Control Act of 2009.

6 “(b) As disposition of a point of order under para-
7 graph (a), the Chair shall put the question of consider-
8 ation with respect to the proposition that is the subject
9 of the point of order. A question of consideration under
10 this clause shall be debatable for 10 minutes by the Mem-
11 ber initiating the point of order and for 10 minutes by
12 an opponent of the point of order, but shall otherwise be
13 decided without intervening motion except one that the
14 House of Representatives adjourn or that the Committee
15 of the Whole rise, as the case may be.

16 “(c) The disposition of the question of consideration
17 under this clause with respect to a bill or joint resolution
18 shall be considered also to determine the question of con-
19 sideration under this clause with respect to an amendment
20 made in order as original text.”.

21 **SEC. 603. APPLICATION OF THE LIMITATION ON REC-**
22 **ONCILIATION LEGISLATION.**

23 Section 310(g) of the Congressional Budget Act of
24 1974 is amended by adding “, but it shall be in order
25 to consider any such bill, resolution, amendment, or con-

1 ference report if the report issued pursuant to section
2 308(f)(1) indicates that the solvency referred to in such
3 paragraph has not been achieved” before the period at the
4 end.

5 **SEC. 604. TWENTY-PERCENT LIMIT ON NEW DIRECT SPEND-**
6 **ING IN RECONCILIATION LEGISLATION.**

7 At the end of section 313 of the Congressional Budg-
8 et Act add the following subsection:

9 “(f) DIRECT SPENDING LIMITATION.—

10 “(1) POINT OF ORDER.—In the House of Rep-
11 resentatives and the Senate, it shall not be in order
12 to consider any reconciliation bill, joint resolution,
13 motion, amendment, or any conference report on, or
14 an amendment between the House of Representa-
15 tives in relation to, a reconciliation bill pursuant to
16 section 310(a) or (h) of the Congressional Budget
17 Act of 1974, that produces an increase in outlays,
18 if—

19 “(A) the effect of all the provisions in the
20 jurisdiction of any committee is to create gross
21 new direct spending that exceeds 20 percent of
22 the total savings instruction to the committee;
23 or

24 “(B) the effect of the adoption of an
25 amendment results in gross new direct spending

1 that exceeds 20 percent of the total savings in-
2 struction to the committee.

3 “(2) APPLICATION OF SECTION 313.—

4 “(A) A point of order under paragraph (1)
5 may be raised by a Senator as provided in sec-
6 tion 313(e) of the Congressional Budget Act of
7 1974.

8 “(B) Paragraph (1) may be waived or sus-
9 pended only by an affirmative vote of three-
10 fifths of the Members, duly chosen and sworn.
11 An affirmative vote of three-fifths of the Mem-
12 bers of the Senate, duly chosen and sworn, shall
13 be required to sustain an appeal of the ruling
14 of the Chair on a point of order raised under
15 paragraph (1).

16 “(C) If a point of order is sustained under
17 paragraph (1) against a conference report in
18 the Senate, the report shall be disposed of as
19 provided in section 313(d) of the Congressional
20 Budget Act of 1974.”.

21 **SEC. 605. TREATMENT OF EXTRANEIOUS APPROPRIATIONS.**

22 (a) IN GENERAL.—Title III of the Congressional
23 Budget Act of 1974 (as amended by section 305) is fur-
24 ther amended by adding at the end the following new sec-
25 tion:

1 “TREATMENT OF EXTRANEOUS APPROPRIATIONS IN
2 OMNIBUS APPROPRIATION MEASURES

3 “SEC. 321. (a) POINT OF ORDER.—It shall not be
4 in order in the House of Representatives or the Senate
5 to consider an omnibus appropriation measure, or any
6 amendment thereto or conference report thereon, that ap-
7 propriates funds for any program, project, or activity that
8 is not within the subject-matter jurisdiction of any sub-
9 committee of the Committee on Appropriations of the
10 House of Representatives or Senate, as applicable, with
11 jurisdiction over any regular appropriation bill contained
12 in such measure.”.

13 (b) CONFORMING AMENDMENT.—The table of con-
14 tents set forth in section 1(b) of the Congressional Budget
15 and Impoundment Control Act of 1974 is amended by in-
16 serting after the item relating to section 320 the following
17 new item:

 “Sec. 321. Treatment of extraneous appropriations in omnibus appropriation
 measures.”.

18 (c) ADVANCE APPROPRIATION POINT OF ORDER.—
19 Section 312 of the Congressional Budget Act of 1974 (as
20 amended by section 601) is further amended by adding
21 at the end the following new subsection:

22 “(l) ADVANCE APPROPRIATION POINT OF ORDER.—
23 It shall not be in order in the House of Representatives
24 or the Senate to consider any appropriation bill or joint

1 resolution, or amendment thereto or conference report
 2 thereon, that provides advance discretionary new budget
 3 authority that first becomes available for any fiscal year
 4 after the budget year at an amount for any program,
 5 project, or activity above the amount of appropriations for
 6 fiscal year 2007 for such program, project, or activity.”.

7 **SEC. 606. ESTABLISHMENT OF DISCRETIONARY DEFICIT**
 8 **REDUCTION ACCOUNT.**

9 (a) DISCRETIONARY DEFICIT REDUCTION AC-
 10 COUNT.—Title III of the Congressional Budget Act of
 11 1974 (as amended by section 605) is further amended by
 12 adding at the end the following new section:

13 “DISCRETIONARY DEFICIT REDUCTION ACCOUNT

14 “SEC. 322. (a) ESTABLISHMENT OF ACCOUNT.—The
 15 chairman of the Committee on the Budget of the House
 16 of Representatives and of the Senate shall each maintain
 17 an account to be known as the ‘deficit reduction Discre-
 18 tionary Account’. The Account shall be divided into entries
 19 corresponding to the subcommittees of the Committee on
 20 Appropriations of that House and each entry shall consist
 21 of the ‘deficit reduction Balance’.

22 “(b) COMPONENTS.—Each entry shall consist only of
 23 amounts credited to it under subsection (c). No entry of
 24 a negative amount shall be made.

25 “(c) CREDITING OF AMOUNTS TO ACCOUNT.—

1 “(1) Whenever a Member or Senator, as the
2 case may be, offers an amendment to an appropria-
3 tion bill to reduce new budget authority in any ac-
4 count, that Member or Senator may state the por-
5 tion of such reduction that shall be credited to—

6 “(A) the deficit reduction Balance;

7 “(B) used to offset an increase in new
8 budget authority in any other account; or

9 “(C) allowed to remain within the applica-
10 ble section 302(b) suballocation.

11 “(2) If no such statement is made, the amount
12 of reduction in new budget authority resulting from
13 the amendment shall be credited to the deficit reduc-
14 tion Balance, as applicable, if the amendment is
15 agreed to.

16 “(3) Except as provided by paragraph (4), the
17 chairman of the Committee on the Budget of the
18 House of Representatives or Senate, as applicable,
19 shall, upon the engrossment of any appropriation bill
20 by the House of Representatives or Senate, as appli-
21 cable, credit to the applicable entry balances
22 amounts of new budget authority and outlays equal
23 to the net amounts of reductions in budget authority
24 and in outlays resulting from amendments agreed to
25 by that House to that bill.

1 “(4) When computing the net amounts of re-
2 ductions in new budget authority and in outlays re-
3 sulting from amendments agreed to by the House of
4 Representatives or Senate, as applicable, to an ap-
5 propriation bill, the chairman of the Committee on
6 the Budget of that House shall only count those por-
7 tions of such amendments agreed to that were so
8 designated by the Members offering such amend-
9 ments as amounts to be credited to the deficit reduc-
10 tion Balance, or that fall within the last sentence of
11 paragraph (1).

12 “(5) The chairman of the Committee on the
13 Budget of the House of Representatives and of the
14 Senate shall each maintain a running tally of the
15 amendments adopted reflecting increases and de-
16 creases of budget authority in the bill as reported to
17 its House. This tally shall be available to Members
18 or Senators during consideration of any bill by that
19 House.

20 “(d) CALCULATION OF SAVINGS IN DEFICIT REDUC-
21 TION ACCOUNTS IN THE HOUSE OF REPRESENTATIVES
22 AND SENATE.—

23 “(1) For the purposes of enforcing section 302(a),
24 upon the engrossment of any appropriation bill by the
25 House of Representatives or Senate, as applicable, the

1 amount of budget authority and outlays calculated pursu-
 2 ant to subsection (c)(3) shall be counted against the
 3 302(a) allocation provided to the Committee on Appro-
 4 priations as if the amount calculated pursuant to sub-
 5 section (c)(3) was included in the bill just engrossed.

6 “(2) For purposes of enforcing section 302(b), upon
 7 the engrossment of any appropriation bill by the House
 8 of Representatives or Senate, as applicable, the 302(b) al-
 9 location provided to the subcommittee for the bill just en-
 10 grossed shall be deemed to have been reduced by the
 11 amount of budget authority and outlays calculated, pursu-
 12 ant to subsection (c)(3).

13 “(e) DEFINITION.—As used in this section, the term
 14 ‘appropriation bill’ means any general or special appro-
 15 priation bill, and any bill or joint resolution making sup-
 16 plemental, deficiency, or continuing appropriations
 17 through the end of fiscal year 2010 or any subsequent fis-
 18 cal year, as the case may be.”.

19 **SEC. 607. ESTABLISHMENT OF MANDATORY DEFICIT RE-**
 20 **DUCTION ACCOUNT.**

21 Title III of the Congressional Budget Act of 1974
 22 (as amended by section 606) is further amended by adding
 23 at the end the following new section:

24 “MANDATORY DEFICIT REDUCTION ACCOUNT

25 “SEC. 323. (a) ESTABLISHMENT OF ACCOUNT.—The
 26 chairman of the Committee on the Budget of the House

1 of Representatives and of the Senate shall each maintain
2 an account to be known as the ‘deficit reduction Manda-
3 tory Account’. The Account shall be divided into entries
4 corresponding to the House of Representatives or Senate
5 committees, as applicable, that received allocations under
6 section 302(a) in the most recently adopted joint resolu-
7 tion on the budget, except that it shall not include the
8 Committee on Appropriations of that House and each
9 entry shall consist of the ‘First Year deficit reduction Ac-
10 count’ and the ‘Five Year deficit reduction Account’ or
11 the period covered by the resolution on the budget for that
12 fiscal year, as applicable.

13 “(b) COMPONENTS.—Each entry shall consist only of
14 amounts credited to it under subsection (c). No entry of
15 a negative amount shall be made.

16 “(c) CALCULATION OF ACCOUNT SAVINGS IN HOUSE
17 AND SENATE.—For the purposes of enforcing section
18 302(a), upon the engrossment of any bill, other than an
19 appropriation bill, by the House of Representatives or
20 Senate, as applicable, the amount of budget authority and
21 outlays calculated pursuant to subsection (c)(3) shall be
22 counted against the 302(a) allocation provided to the ap-
23 plicable committee or committees of that House which re-
24 ported the bill as if the amount calculated pursuant to
25 subsection (c)(3) was included in the bill just engrossed.

1 “(d) CREDITING OF AMOUNTS TO ACCOUNT.—

2 “(1) Whenever a Member or Senator, as the
3 case may be, offers an amendment to a bill that re-
4 duces the amount of mandatory budget authority
5 provided either under current law or proposed to be
6 provided by the bill under consideration, that Mem-
7 ber or Senator may state the portion of such reduc-
8 tion achieved in the first year covered by the most
9 recently adopted joint resolution on the budget and
10 in addition the portion of such reduction achieved in
11 the first five years covered by the most recently
12 adopted joint resolution on the budget that shall be
13 credited to the First Year deficit reduction Balance
14 and the Five Year deficit reduction Balance, as ap-
15 plicable, if the amendment is agreed to.

16 “(2) Except as provided by paragraph (3), the
17 chairman of the Committee on the Budget of the
18 House of Representatives or Senate, as applicable,
19 shall, upon the engrossment of any bill, other than
20 an appropriation bill, by the House of Representa-
21 tives or Senate, as applicable, credit to the applica-
22 ble entry balances amounts of new budget authority
23 and outlays equal to the net amounts of reductions
24 in budget authority and in outlays resulting from
25 amendments agreed to by that House to that bill.

1 “(3) When computing the net amounts of re-
2 ductions in budget authority and in outlays resulting
3 from amendments agreed to by the House of Rep-
4 resentatives or Senate, as applicable, to a bill, the
5 chairman of the Committee on the Budget of that
6 House shall only count those portions of such
7 amendments agreed to that were so designated by
8 the Members or Senators offering such amendments
9 as amounts to be credited to the First Year deficit
10 reduction Balance and the Five-Year deficit reduc-
11 tion Balance, or that fall within the last sentence of
12 paragraph (1).

13 “(4) The chairman of the Committee on the
14 Budget of the House of Representatives and of the
15 Senate shall each maintain a running tally of the
16 amendments adopted reflecting increases and de-
17 creases of budget authority in the bill as reported to
18 its House. This tally shall be available to Members
19 or Senators during consideration of any bill by that
20 House.

21 “(e) DEFINITION.—As used in this section, the term
22 ‘appropriation bill’ means any general or special appro-
23 priation bill, and any bill or joint resolution making sup-
24 plemental, deficiency, or continuing appropriations

1 through the end of fiscal year 2009 or any subsequent fis-
 2 cal year, as the case may be.”.

3 **SEC. 608. CONFORMING AMENDMENT.**

4 The table of contents set forth in section 1(b) of the
 5 Congressional Budget and Impoundment Control Act of
 6 1974 is amended by inserting after the item relating to
 7 section 321 the following new items:

“Sec. 322. Discretionary deficit reduction account.

“Sec. 323. Mandatory deficit reduction account.”.

8 **Subtitle B—Committee Term Lim-**
 9 **its Study in the House of Rep-**
 10 **resentatives**

11 **SEC. 611. SUSPENSION OF CERTAIN REQUIREMENTS RE-**
 12 **GARDING THE HOUSE OF REPRESENTATIVES**
 13 **COMMITTEE TERM LIMITS COMMITTEE.**

14 Clause 5(a)(2)(B) of rule X of the Rules of the House
 15 of Representatives is suspended.

16 **SEC. 612. ESTABLISHMENT OF THE SELECT COMMITTEE ON**
 17 **REQUIREMENTS REGARDING THE HOUSE OF**
 18 **REPRESENTATIVES BUDGET COMMITTEE.**

19 There is established a select committee to review the
 20 rules regarding the membership on the Committee on the
 21 Budget of the House of Representatives.

22 **SEC. 613. PROCEDURE.**

23 (a) **LEGISLATIVE JURISDICTION.**—The select com-
 24 mittee shall not have legislative jurisdiction and shall have

1 no authority to take legislative action on any bill or resolu-
2 tion.

3 (b) STUDY.—The select committee shall study and
4 make recommendations about the effectiveness of limiting
5 the membership on the House of Representatives Budget
6 Committee to four Congresses within a period of six suc-
7 cessive Congresses.

8 **SEC. 614. COMPOSITION.**

9 The select committee shall be composed of 8 members
10 appointed by the Speaker, of whom 4 shall be appointed
11 upon the recommendation of the minority leader. The
12 Speaker shall designate one member of the select com-
13 mittee as chairman.

14 **SEC. 615. REPORTING.**

15 The select committee shall issue at least one public
16 report to be filed with the House of Representatives not
17 later than December 31, 2010, and shall include rec-
18 ommendations based on its findings.

19 **SEC. 616. ADMINISTRATIVE PROVISIONS.**

20 There shall be paid out of the applicable accounts of
21 the House of Representatives such sums as may be nec-
22 essary for the expenses of the select committee. Such pay-
23 ments shall be made on vouchers signed by the chairman
24 of the select committee and approved in the manner di-
25 rected by the Committee on House Administration.

1 **SEC. 617. DISSOLUTION.**

2 The select committee shall cease to exist on December
3 31, 2010.

4 **Subtitle C—Judicial Consideration**

5 **SEC. 621. JUDICIAL REVIEW.**

6 (a) EXPEDITED REVIEW.—

7 (1) any Member of Congress or any individual
8 adversely affected by this Act may bring an action,
9 in the United States District Court for the District
10 of Columbia, for declaratory judgment and injunc-
11 tive relief on the ground that any provision of this
12 part violates the Constitution.

13 (2) a copy of any complaint in an action
14 brought under paragraph (1) shall be promptly de-
15 livered to the Secretary of the Senate and the Clerk
16 of the House of Representatives, and each House of
17 Congress shall have the right to intervene in such
18 action.

19 (3) nothing in this section or in any other law
20 shall infringe upon the right of the House of Rep-
21 resentatives to intervene in an action brought under
22 paragraph (1) without the necessity of adopting a
23 resolution to authorize such intervention.

24 (b) APPEAL TO SUPREME COURT.—Notwithstanding
25 any other provision of law, any order of the United States
26 District Court for the District of Columbia which is issued

1 pursuant to an action brought under paragraph (1) of sub-
2 section (a) shall be reviewable by appeal directly to the
3 Supreme Court of the United States. Any such appeal
4 shall be taken by a notice of appeal filed within 10 cal-
5 endar days after such order is entered; and the jurisdic-
6 tional statement shall be filed within 30 calendar days
7 after such order is entered. No stay of an order issued
8 pursuant to an action brought under paragraph (1) of sub-
9 section (a) shall be issued by a single Justice of the Su-
10 preme Court.

11 (c) EXPEDITED CONSIDERATION.—It shall be the
12 duty of the District Court for the District of Columbia
13 and the Supreme Court of the United States to advance
14 on the docket and to expedite to the greatest possible ex-
15 tent the disposition of any matter brought under sub-
16 section (a).

17 **SEC. 622. SEVERABILITY.**

18 If any provision of this subtitle, or the application
19 of any provision of this subtitle to any person or cir-
20 cumstance is held invalid, the application of such provision
21 or circumstance and the remainder of this subtitle shall
22 not be affected thereby.

○